British Columbia Utilities Commission

2007/08 Annual Report

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Sixth Floor, 900 Howe Street, Box 250
Vancouver, British Columbia, Canada V6Z 2N3

Telephone (604) 660-4700; Facsimile (604) 660-1102
BC Toll Free: 1-800-663-1385

General Inquiries & Filings:	Commission.Secretary@bcuc.com
Complaints:	Complaints@bcuc.com
Natural Gas Marketing Customer Choice Inquiries:	customer.choice@bcuc.com
Web site:	http://www.bcuc.com

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: http://www.bcuc.com

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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To the Lieutenant Governor in Council

MAY IT PLEASE YOUR HONOUR:

Pursuant to the Utilities Commission Act and the Budget Transparency and Accountability Act, I respectfully submit this Report on the activities of the British Columbia Utilities Commission for the fiscal year 2007/08.

Section 13 of the Utilities Commission Act requires the Commission to submit a report to the Lieutenant Governor in Council for the preceding fiscal year, setting out briefly all applications and complaints, summarizing Commission findings, and reporting on other matters considered in the public interest. Consistent with the Budget Transparency and Accountability Act, the reporting timeframe is for the fiscal year.

LEONARD F. KELSEY
Chair and Chief Executive Officer

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Standard Abbreviations & Acronyms

UTILITY/APPLICANT

British Columbia Hydro and Power Authority	BC Hydro
Big White Utility Ltd.	Big White
Cal-Gas Inc.	CalGas
Central Heat Distribution Limited	CHDL
Corix Multi-Utility Services Inc.	Corix
FortisBC Inc.	FortisBC
Hemlock Valley Electrical Services Limited	HVES
Kinder Morgan, Inc.	KMI
Pacific Northern Gas Ltd.	PNG, PNG-West
Pacific Northern Gas (N.E.) Ltd.	PNG (N.E.)
Plateau Pipe Line Ltd.	Plateau
Port Alice Gas Inc.	Port Alice Gas
Silversmith Light & Power Corporation	Silversmith, SLPC
Stargas Utilities Ltd.	Stargas
Sun Peaks Utilities Co., Ltd.	Sun Peaks
Sun Rivers Services Corp.	Sun Rivers
The Corporation of the City of Nelson	City of Nelson
Terasen Gas Inc. (subsidiary of Terasen Inc.)	Terasen, Terasen Gas, TGI
Terasen Gas (Whistler) Inc.	Terasen Whistler, TGW
Terasen Gas (Vancouver Island) Inc.	Terasen VI, TGVI
Trans Mountain (Jet Fuel) Inc.	Trans Mountain, TMJF
The Yukon Electrical Company Limited	YECL

OTHER

Allowance for Funds Used During Construction	AFUDC
Alternative Dispute Resolution	ADR
Apartment Customer Rates	ACR
Certificate of Public Convenience and Necessity	CPCN
Energy for our Future: A Plan for BC	Energy Plan or Energy Policy
Gas Cost Reconciliation Account	GCRA
Gas Cost Variance Account	GCVA
Independent Power Producers	IPPs
Insurance Corporation of British Columbia	ICBC
Large General Service	LGS
Natural Gas Marketers	NGM
Natural Gas Vehicles	NGV
Negotiated Settlement Process	NSP
Return on Common Equity	ROE
Small General Service	SGS
Utilities Commission Act	the Act, UCA

NATURAL GAS MARKETERS

Access Gas Services Inc.	Access Gas
Active Energy ULS	Active Energy, Active
CEG Energy Options Inc.	CEG
Direct Energy Marketing Limited	DEML
Energy Savings (B.C.) Limited Partnership	ESBC
FireFly Energy	FireFly
MxEnergy (Canada) Ltd.	MxEnergy
Nexen Energy Solutions	Nexen
Planet Energy (BC) Corp.	Planet Energy, Planet
Premstar Energy Canada Limited Partnership	Premstar
Shell Energy North America (Canada) Inc.	Shell Energy, Shell
Smart Energy (BC) Ltd.	Smart Energy, Smart
Summitt Energy BC L.P.	Summitt Energy, Summitt
Superior Energy Management	Superior Energy, Superior
The Wholesale Energy Group Ltd.	Wholesale Energy, WEG
Universal Energy Corporation	Universal, UEC

Organizational Overview

Introduction

The British Columbia Utilities Commission ("the Commission", "BCUC") is a regulatory agency of the Provincial Government, operating under and administering the Utilities Commission Act ("UCA", "the Act"). The Commission's function is quasi-judicial and it has the power to make legally binding rulings. Decisions and Orders of the Commission may be appealed to the Court of Appeal on questions of law or jurisdiction. The Commission's primary responsibility is the regulation of the public utilities under its jurisdiction and, effective August 12, 2003, the regulation of certain aspects of automobile insurance pursuant to the Insurance Corporation Amendment Act. The Administrative Tribunal Act ("ATA") also applies to matters before the Commission.

Through an open and transparent regulatory review process, the Commission ensures that the:

- rates charged for energy are fair, just and reasonable;
- energy utility operations provide safe, adequate and secure service to their customers;
- shareholders of public utilities under its jurisdiction are afforded a reasonable opportunity to earn a fair return on their invested capital;
- Insurance Corporation of British Columbia ("ICBC") universal compulsory automobile insurance is adequate, efficient, just and reasonable; and
- ICBC optional insurance is not subsidized by other ICBC operations.

The Commission also reviews energy-related and basic insurance matters referred to it by Cabinet. These reviews usually involve public inquiries, followed by a report and recommendations to Cabinet. In addition, under Part 7 of the Pipeline Act, the Commission establishes tolls and conditions of service for intraprovincial oil pipelines. The Commission has responsibilities under the UCA for electricity transmission facilities, energy supply contracts and the issuance of gas marketer licences, matters that are likely to become more active as the reorganization of the energy industry proceeds. The Commission also approves the construction of new facilities planned by energy utilities and their issuance of securities.

The Commission has been self-funded since 1988. Its costs are recovered primarily through a levy on the public utilities it regulates. The work of the Commission is important to the population of British Columbia ("BC") because the effects of regulation instill a high degree of public confidence that competing interests among monopoly utilities, consumers and other stakeholders are reconciled. Likewise, the effects of regulation send a message to the community beyond BC that the province is a safe and fair place to do business.

The Act provides for the appointment of a Chair, one or more Deputy Chairs and Commissioners by the Lieutenant Governor in Council. As of March 2008, there were six part-time Commissioners, two full-time Commissioners and the Chair. There were 23 Commission staff (plus 1 vacant position), including professional engineers, accountants, economists, and administrative staff. The Commission is located in Vancouver at 900 Howe Street.

Commission staff are organized into an Information Services Group and a Regulatory Affairs and Planning Group. The Information Services Group handles complaints from ratepayers, provides research support, and compiles statistics and information to respond to inquiries from the public. The Regulatory Affairs and Planning Group comprises three functional units: strategic services, rates and finance, and engineering and commodity markets. To effectively deliver and fulfill its core mandate, the Commission has organized its regulatory functions by tasks, utilizing the knowledge of its interdisciplinary teams.

1.1 Vision

To be a respected regulator of public utilities.

1.2 Mission

To exercise our regulatory mandate in a manner that serves the public interest and that is independent, principled and respectful of the interests and resources of all parties.

1.3 Value Statements

The Commission is committed to:

- Ensure arms-length, independent, and accountable regulation of utilities and ICBC.
- Apply regulatory principles, research and industry knowledge to resolve problems concerning public utilities or the regulated portion of automobile insurance.
- Render decisions that are timely, fair, workable and respected.
- Write high quality decisions, reports and publications.
- Communicate effectively and transparently with co-workers, utilities, ratepayers, government and the public.
- Promote learning, innovation, creativity and the achievement of personal and professional goals.

Commission Services

In addition to its regulatory responsibilities, the Commission provides the following services and assistance:

- review ratepayers' complaints about the actions of utilities, ICBC and independent gas marketers;
- provide copies of documentation prepared by the Commission (e.g., Brochures, Guidelines, Orders, Decisions, etc.) at no charge. These documents are also posted and available for download from the Commission's web site: http://www.bcuc.com;
- provide access to the Tariffs of regulated utilities and to the Code of Conduct and Rules for Gas Marketers;
- provide access to information filed in public hearings;
- respond to requests for general information regarding utilities and ICBC.; and
- respond to requests for general information regarding participating in Commission processes and making applications to the Commission.

Regulatory Functions and Responsibilities

The Commission meets regularly to review utility and ICBC applications, to authorize the issuance of Commission Orders or other directives considered necessary and in the public interest, to review complaints and to conduct other necessary Commission business. The regulatory tasks are carried out using an interdisciplinary team approach. The team assigned to a task is normally composed of specialists from disciplines of engineering, accounting and economics and is advised, as appropriate, by legal counsel and specialist consultants retained by the Commission.

Message from the Chair and Chief Executive Officer

From time to time it is important that the mandate of the Commission is reviewed so as to ensure that it reflects the government's energy objectives. On May 1, 2008, the government enacted Bill 15, the Utilities Commission Amendment Act, 2008 ("UC Amendment Act"). Bill 15 requires the Commission to consider the government's energy objectives in the areas of long-term planning, project approvals, and the award of energy supply contracts. Bill 15 also provides additional mechanisms for the government to direct the Commission in its exercise of discretion.

The government's energy objectives are to encourage public utilities to reduce greenhouse gas emissions, to encourage public utilities to take demand-side measures, to encourage public utilities to produce, generate and acquire electricity from clean or renewable sources, to encourage public utilities to develop adequate energy infrastructure, and to encourage public utilities to use innovative energy technologies.

A Commission inquiry regarding long-term transmission requirements must begin by March 31, 2009. In addition, Bill 15 requires public utilities to file a long-term resource plan. The new legislation is more definitive and specific regarding demand-side measures and requires utilities to provide an explanation of why the demand for energy to be served by the new facilities and the purchases are not being replaced by demand-side measures. In determining whether to approve a plan, the Commission must also consider the government's energy objectives.

In 2008/09, the Commission will exercise its responsibilities and authority under its new, expanded mandate. I am pleased to report that the costs, activity levels and application cycle times of the Commission continue to compare favourably with past years, and to report that the BCUC remains among the most efficient economic regulators in North America.

In August 2006, the Commission approved an application of Terasen Gas Inc. for commodity unbundling for residential customers. Marketing activity began in May 2007 and the first flow of gas to customers under contract occurred November 1, 2007. The Commission will continue to have a significant role in overseeing marketing processes, marketer licencing and conduct, and in hearing customer complaints. During 2007/08, the Commission sanctioned several marketers and also initiated reviews of marketers.

Utilities in BC and elsewhere are in the midst of an upswing in capital investment programs. British Columbians need to have confidence that when the BCUC reviews projects, competing interests among utilities, customers, and other stakeholders will be considered. The Commission needs to ensure that reviews are

structured for effective public participation, and that the public will have a meaningful opportunity to contribute to the decision-making process.

During 2007/08, the Commission considered several large project applications. On May 9, 2007, the Commission approved a FortisBC application for a CPCN for the Ellison Substation Project to reinforce the system in the north Kelowna area. On July 12, 2007, the Commission approved a BC Hydro application for a CPCN for the installation of the Revelstoke Unit 5 Project, which includes the installation of a 500 MW fifth turbine/generator set in the existing empty turbine bay at the Revelstoke Generating Station. On November 15, 2007, the Commission approved a TGVI application for a CPCN to construct and operate a LNG Storage Facility at Mt. Hayes in the Cowichan Valley Regional District.

During 2007/08, the Commission also considered several revenue requirements applications. I am pleased to report that the Commission continues to be a leader in Performance Based Regulation and in Alternative Dispute Resolution processes. In 2007/08 all revenue requirement applications, with the single exception of the ICBC revenue requirements application, were the subject of either a settlement agreement or a written hearing process. This contributed to the significant decline from 78 hearing days in 2006/07 to 31 hearing days in 2007/08.

The Commission anticipates that 2008/09 will continue to be challenging with reviews of a new transmission project on Vancouver Island and the completion of the review of another transmission project from the interior to the lower mainland. The Commission also anticipates call design applications from BC Hydro that will support electricity self-sufficiency. Public confidence in the BCUC and its processes is particularly important to project reviews. Reviews have the potential to build public confidence in both the project and the review process.

During 2008/09, the BC Court of Appeal is expected to consider whether or not the Commission, for projects requiring an environmental assessment certificate, is also required to make determinations regarding the adequacy of consultation and accommodation with First Nations.

On July 16, 2008, by Order in Council 609, Len Kelsey was designated as Chair of the British Columbia Utilities Commission. I have reviewed the contents of this report and concur with its content.

In closing, I would like to thank all Commission staff and stakeholders who participated in Commission processes in 2007/08.

Leonard F. Kelsey
Chair and Chief Executive Officer

The Year in Review

Background

The UCA was amended in 2003 to provide a mandate to the Commission to implement the policy actions of the Province's Energy Plan released on November 25, 2002 (updated on February 27, 2007), and to undertake the regulation of certain aspects of basic automobile insurance. Amendments to Section 45 of the UCA expanded upon and clarified the planning requirements of utilities and the Commission's role to review these plans to determine whether expenditures are in the public interest and whether associated rate changes are necessary and appropriate. Other amendments to the UCA provided the Commission with the authority to license gas marketers in anticipation of unbundling and customer choice for Terasen Gas customers.

The Commission also began the process of regulating the rates of BC Hydro and of BCTC. BCTC is a provincial Crown Corporation which was created by the *Transmission Corporation Act* (SBC 2003, c.44) and began operations on August 1, 2003. BCTC operates, manages, plans and maintains BC Hydro's transmission system. The implementation of regulation for BC Hydro and BCTC continued throughout 2007/08 and will extend through 2008/09.

A summary of the Decisions and Orders issued by the Commission in 2007/08 is found commencing on page 44 of this Annual Report.

Highlights in Operational and Financial Performance

Proceeding Days

The number of proceeding days decreased from 123 days in 2006/07 to 60 days in 2007/08 (including hearings, alternative dispute resolution, workshops, pre-hearing conferences, and meetings related to annual reviews of Performance-Based Regulation agreements). There were 31 oral public hearing days in 2007/08, as compared to 78 in 2006/07. There were 13 alternative dispute resolution days in 2007/08 and 15 days dedicated to pre-hearing conferences and workshops.

The number of oral hearing days is largely a result of several significant hearings including those held to review: BC Hydro's Rate Design Application; BC Hydro Application for approval of an Energy Purchase Agreement with Alcan Inc.; and FortisBC's Application for a Certificate of Public Convenience and Necessity ("CPCN") for a transmission reinforcement to Big White. Shorter hearings included those held to review ICBC's

Revenue Requirement and Rate Design Applications; an application by FortisBC for a CPCN for its Black Mountain Substation Project; and customer complaints regarding FortisBC's Naramata Substation Project.

The number of oral hearing days was limited by decisions of the Commission, in several cases, to review applications through a written hearing or negotiated settlement process ("NSP"). Applications reviewed through a written hearing included: TGVI's Application for the filing of Long-Term Service Agreements with BC Hydro; Trans Mountain (Jet Fuel) Inc. Application for Approval of Tolls and Accelerated Depreciation; FortisBC's Applications for CPCNs for its Distribution Substation Automation Project and its Ootischenia Substation Project; PNG's Revenue Requirements Applications; TGI and TGVI System Extension and Customer Connection Policy Review Application; and the TGVI Mt. Hayes Liquefied Natural Gas Storage Project CPCN Application and Terasen Gas Storage and Delivery Services Agreement.

The Commission's costs in constant dollars decreased substantially from levels established in the early 1990's, until 1998/99 at which time they leveled out. Details and graphs are included in the section entitled Performance Indicators, beginning on page 77.

Organizational Efficiency and Effectiveness

One full-time Commissioner retired in the fall of 2007 and was replaced by a new full-time Commissioner in January 2008.

The number of full-time staff at the Commission in 2007/08 remained constant at 23 relative to 2006/07, although staff turnover and retention remained an issue as four regulatory staff left in the fall/winter of 2006/07, and in December 2007 one of the four replacement staff who had been recruited and hired also left. In addition, the Commission received approval in 2006/07 to add two new positions to the regulatory staff.

Staffing expenditure constituted approximately 56 percent of the Commission budget in 2007/08. In past years the Commission succeeded in maintaining or lowering its budget and core expenditures in real terms by moving away from the traditional cost-of-service approach to performance-based regulation or to NSPs, which offer potentially lower regulatory costs. These results-based practices allowed the Commission to keep its costs reasonable in terms of the services to ratepayers and utilities. However, a public hearing process can be the preferred and more appropriate process, depending on the nature and circumstances of an application. This, plus the additional responsibilities related to the regulation of certain aspects of basic automobile insurance, has increased the costs of the Commission.

Pursuant to Section 118 of the UCA, the Commission has the authority to grant cost awards to intervenors in a proceeding before the Commission. The Commission reviewed the Participant Assistance Cost Award Guidelines ("PACA Guidelines") on July 5, 2007 to ensure that intervenors' submissions are useful, their efforts do not duplicate each other's, and costs claimed are reasonable. In 2007/08, the Commission issued 32 participant funding decisions totaling $1,387,981.39 in cost awards. Also, in 2007, the Sierra Club of Canada, the BC Sustainable Energy Association and the Peace Valley Environment Association collectively appealed participant funding decisions of the Commission made in January and February 2007. The BC Court of Appeal heard the case on February 22, 2008 and, in a judgment issued on March 7, 2008, dismissed the appeal.

The costs of the Commission can be measured by cost per utility customer and cost per unit of energy sold. In fiscal 2007/08, the cost of regulation per customer[1] was $0.86 (in 2007 dollars, down from $0.89 in 2006/07) and the cost of regulation[1] per energy service customer was $1.12 down from $1.22 in 2006/07. The cost of regulation per gigajoule ("GJ") of energy sold was 0.98 cents. The total expenditure for fiscal 2007/08 was $4,901,971.80; the approved budget was $5,611,000.00.

Highlights in Natural Gas

Natural Gas Commodity Costs

Gas prices across North America are influenced in the short-term by weather, the price of competing fuels, and gas storage levels. The level of economic activity, number of wells drilled, crude oil prices, and other factors affecting the gas supply/demand balance impact gas prices over the longer term. Gas turbines have been the recent choice for many electricity generators due to their improved efficiency, lower capital cost and environmental benefits. Gas demand in the Pacific Northwest will be significantly influenced by the amount of gas-fueled generation that is built and operated in the region. Growth in demand may be offset to some extent by new BC Energy Policies designed to encourage the growth of new supply.

Market prices for natural gas across the North American continent increased sharply in the winter of 2000/01, and then dropped quickly in spring 2001. Gas prices strengthened steadily from 2001 to early 2005, and showed more volatility as gas demand became more weather-dependent. Hurricanes Katrina and Rita in the late summer and early fall of 2005 did widespread damage to oil and gas production facilities in the Gulf of Mexico. Gas prices rose dramatically, and remained very high until January 2006 when prices proceeded to soften. Warm

1 Includes ICBC and energy regulatory customers.

weather in winters 2005/06 and 2006/07 caused gas storage levels to remain high, and gas prices were reasonably stable at relatively high levels.

Colder weather during February and March 2008 increased withdrawals from storage and caused spot and forward prices to increase significantly. Storage inventories near the end of March 2008 were near their five-year average and significantly below those of a year ago. US gas production is expected to increase in 2008, while Canadian production and Liquefied Natural Gas imports are expected to be lower. Gas prices remain significantly below equivalent prices of crude oil and heating oil, and future gas prices are expected to be volatile and high relative to long-term averages. The current strong exchange rate for the Canadian dollar mitigates the impact of high gas prices on customer rates to some extent, as gas prices across the continent are generally reported in US dollars.

Experience from the winter of 2000/01 and subsequently has demonstrated the significant impact of very high gas prices on consumers' cost of living and businesses' operating costs. There was a public expectation that regulators could somehow "save" consumers from high gas commodity costs, even though costs have been set by market forces and passed on to the customers without mark-up by the utilities for over 15 years.

Although the BCUC does not regulate the competitive market for the natural gas commodity, it requires utilities to provide quarterly reviews of gas prices and deferral account balances. Such deferral account mechanisms are intended to "smooth" changes in utility rates when gas prices change. British Columbia customers tend to pay less than the full gas cost when gas prices are high and pay slightly more than the actual cost when gas prices are low. The BCUC reviews utility gas supply contracting and hedging plans to ensure that, within the limits of market prices, the utilities purchase reliable supplies at the lowest cost possible. However, even with such measures, a risk remains that significant, sustained increases in the cost of the unregulated commodity could drive natural gas rates to uncomfortable levels for consumers. Furthermore, there is a risk that gas may become non-competitive relative to electricity, since electricity rates are strongly influenced by the relatively lower embedded cost of historic generation.

Gas Commodity Unbundling and Customer Choice

The trend toward reorganization in energy markets throughout North America has led to increased pressure on the BCUC from customers and energy providers alike to ensure that customers are offered more options and that utility services are provided in a fair, open and non-discriminatory manner. The entry of non-regulated companies into the market for energy services increases the complexity of regulating energy utility services. A necessary condition for securing competitive prices for natural gas and electricity is that the

remaining monopoly transmission and distribution utilities be regulated to ensure market participants receive fair access to deliver their energy at non-discriminatory rates.

As a result of the 2002 Energy Plan, Terasen Gas implemented Commodity Unbundling Service for commercial customers effective November 1, 2004. The commercial program was introduced as the first step in a phased approach that proved to be cost-effective. In order to successfully introduce commercial unbundling, a regulatory, consumer protection and billing framework was required. The framework includes utility tariffs, a consumer education program, Rules and a Code of Conduct for Gas Marketers, and licensing requirements. These measures provide that customer confidence in the program will not be tarnished by marketer abuses or consumer misunderstanding. Terasen Gas implemented a combination of manual and computer controlled systems to keep program costs to a minimum.

The unbundling service option typically is used by small commercial customers, as large volume customers already had access to alternative suppliers. Under the program, commercial customers are permitted to select a natural gas supplier other than Terasen Gas on a fixed price contract basis for up to five years. This program has been very successful, since 20,000 customers or 25 percent of the eligible market have chosen to participate. BCUC has received very few complaints related to the commercial program.

Building on the success of the first phase in attracting a significant number of commercial customers, the BCUC worked with Terasen Gas, Gas Marketers and other stakeholders to expand the Commodity Unbundling program to include residential customers commencing November 2007. Terasen Gas upgraded and automated its computer systems and other processes to handle the large increase in customer enrollments. In addition, customer education programs and a dispute resolution process were developed to supplement consumer protection measures in place for the commercial program. Sixteen Gas Marketers were licensed by BCUC and currently 15 are active. The unbundled supply option was offered to residential customers starting May 1, 2007, and gas deliveries commenced November 1, 2007.

Initial participation in the residential program materially exceeded expectations. 93,000 customers enrolled by March 2008, which exceeds 12 percent of eligible customers. The pace of new residential customers enrolling has slowed significantly during the year. The number of new contracts signed each month has fallen relative to the early part of fiscal 2007 and the percentage of customer contract cancellations has increased. This has led to a decrease in total monthly net new contracts (sign-ups minus cancellations and account finalization drops) from 50,400 in May 2007 to 2,400 in March 2008. For commercial customers the pattern is directionally the same, but even more dramatic, such that no net new contracts were added in the last two months of 2007/08.

The dramatic increase in marketing activity and customer numbers under the residential program has been accompanied by a very significant increase in the number of complaints registered with the Commission and Terasen Gas. To provide better oversight of the activities of the sales agents that represent Gas Marketers and the supervision of these agents, in July 2008 the Commission implemented mandatory Third Party Verification for all residential sales transactions. The Commission has and will continue to make changes that will strengthen the Code of Conduct for Gas Marketers, and has increased its monitoring and enforcement of the requirements of the Code. In 2007/08 the Commission dealt with 9,929 disputes between customers and gas marketers.

Terasen Gas Inc. and Terasen Gas (Vancouver Island) Inc.

By a Decision and Order C-2-05 dated February 15, 2005, the Commission granted TGVI a CPCN for a liquefied natural gas storage facility at Mt. Hayes on Vancouver Island, subject to several conditions that included the execution of a firm long-term transportation service agreement with BC Hydro in respect of the Duke Point Power Project. As no firm long-term transportation agreement was executed and construction of the LNG project did not commence by December 31, 2005, the CPCN granted by Order C-2-05 terminated.

On June 5, 2007, TGVI filed an application for a CPCN to build, own and operate a LNG storage on Vancouver Island and the facilities required to connect the LNG Storage Facility to TGVI's natural gas transmission system and associated upgrades. The 1.5 Bcf LNG Storage Facility would be built at Mt. Hayes, in the Cowichan Valley Regional District approximately 6 km northwest of Ladysmith. In the Application, TGVI also applied for approval to enter into a long-term Storage and Delivery Agreement with Terasen Gas Inc., under which TGVI will provide LNG storage, liquefaction and vaporization service, and gas delivery and re-delivery service to TGI. In a separate application TGI applied for approval to enter into the Storage and Delivery Agreement with TGVI. TGVI and TGI are wholly-owned subsidiaries of Terasen Inc. Terasen Inc., in turn, is a wholly-owned subsidiary of Fortis Inc.

In its Application, TGVI also requested Commission approval for a 50 basis point premium in its return on equity for the rate base associated with the LNG Storage Facility, a deferred schedule for the depreciation of the LNG Storage Facility and the recovery of pre-construction development costs associated with the project, and approval to enter into a Storage and Delivery Agreement with its affiliate Terasen Gas Inc.

By Order G-63-07 dated June 8, 2007, the Commission established a written process to obtain comments on issues and procedural matters. On July 6, 2007, following the receipt of comments from Intervenors, the Commission issued Order G-78-07, establishing a written public hearing to review the Applications.

On November 15, 2007 the Commission issued Order C-9-07 granting a CPCN for the LNG Storage Facility, subject to certain conditions, and denying TGVI's requests for a 50 basis point premium in the return on equity for the rate base associated with the LNG Storage Facility and for an adjusted depreciation schedule.

Acquisition of Terasen Gas Utilities

On March 1, 2007, Fortis Inc. ("Fortis") applied to the Commission for approval of the acquisition of all of the issued and outstanding shares of Terasen Inc. The acquisition would give Fortis control of the Terasen group of utilities: Terasen Gas Inc. ("TGI"), Terasen Gas (Vancouver Island) Inc.. Terasen Gas (Whistler) Inc. and Terasen Energy Services Inc.

By Order G-22-07, the Commission established a written public hearing process for the Application. The only issue raised in the submissions was concern over the potential reduction in competition, as both Fortis and Terasen are suppliers of heating services to area consumers. However, Fortis and Terasen intend to maintain separate management and operations. The Commission review determined that the acquisition would not detrimentally affect the utilities or the public. On April 30, 2007, the Commission issued Order G-49-07, with Reasons for Decision, approving the transaction.

Pacific Northern Gas Ltd.

PNG-West filed its 2008 rate application on October 9, 2007 and forecast a revenue deficiency of approximately $583,000 for the 2008 test year primarily due to a reduction in forecast margin recovery from customers due to lower projected gas deliveries. This revenue reduction was partly offset by the forecast lower cost of service in 2008. PNG estimates the average delivery charge rate increase for residential customers and small commercial customers is 2.2 percent. The Application was reviewed through a NSP that reached a Settlement Agreement approved by Commission Order G-165-07.

PNG (N.E.), serving the Fort St. John/Dawson Creek and Tumbler Ridge service areas, filed its 2008 rate application on October 10, 2007. The Applications were reviewed through a NSP that reached a Settlement Agreement that was approved by Commission Order G-168-07.

In July 2006, PNG announced that it had formed Pacific Trail Pipelines Partnership Ltd. ("PTP") with Galveston LNG Inc. to pursue the development of the KSL Looping project to expand the capacity of the existing PNG transmission system to allow natural gas to be received from the proposed Kitimat LNG receiving terminal

and redelivered into the Duke Energy Transmission system. The project is now fully permitted and the Kitimat LNG terminal is currently offering storage capacity. Should the project proceed, PNG intends to transfer its existing transmission assets to PTP upon completion of the KSL Looping project such that PTP would become the sole transmission provider along the pipeline corridor. PNG would continue to retain its distribution assets and continue to provide service to its distribution customers. PNG states that it believes that economies of scale and improved utilization of the expanded transmission system will lead to materially lower rates for its existing customers.

Highlights in Electricity

Implementation of the Energy Plan

In May 2003, the Province created the British Columbia Transmission Corporation ("BCTC"), to manage, maintain and operate the transmission assets of BC Hydro, and to ensure open and non-discriminatory access to the BC transmission system for all electricity producers. BCTC officially commenced operations on August 1, 2003. The Energy Plan also contemplated that the Commission would resume regulating BC Hydro rates.

British Columbia Transmission Corporation

On July 7, 2005, BCTC filed an application to construct, in an existing right-of-way, a new 67 kilometer 230 kV line from South Delta to North Cowichan to replace an existing 138 kV line, and to upgrade a second 138 kV line. On September 30, 2005 Sea Breeze Regional Transmission System, Inc. subsequently Sea Breeze Victoria Converter Corporation ("Sea Breeze"), filed an application to construct its Vancouver Island Cable ("VIC") project. The Commission established a single oral public hearing to review the two projects, which was held in February and March 2006 and lasted for 33 days. During the hearing, Sea Breeze withdrew its VIC application. The hearing was contentious primarily because of routing considerations related to the BCTC application. The Commission issued its Decision on July 7, 2006. Some parties unsuccessfully appealed the Decision. In March 2008, the provincial government released the results of two independent studies of the cost of horizontal directional drilling for undergrounding the Tsawwassen segment of the project. Both studies confirmed the cost estimates provided by BCTC and the Province announced that construction of overhead lines on the Tsawwassen segment would move forward.

On December 21, 2006 BCTC filed its F2008 to F2017 Transmission System Capital Plan. BCUC Order G-5-07 dated January 19, 2007 established a written hearing process that took place during March and April 2007. The Commission issued its Decision on June 15, 2007 which, amongst other directives, approved sustaining

capital expenditures of $84.8 million and $86.5 million in F2008 and F2009 respectively.

On February 20, 2008 BCTC filed its Fiscal 2009 and Fiscal 2010 Revenue Requirements Application. By Order G-54-08 the Commission established a Negotiated Settlement Process to review the application.

British Columbia Hydro and Power Authority

On October 27, 2006, BC Hydro and Alcan Inc. entered into the Amended and Restated Long-Term Electricity Purchase Agreement, which revised the terms under which Alcan sold power to BC Hydro. On December 29, 2006, after reviewing the agreement in an oral public hearing the Commission issued Order G-176-06, which did not find it to be in the public interest and declared it to be unenforceable.

On September 5, 2007, BC Hydro filed the 2007 Electricity Purchase Agreement dated August 13, 2007 ("2007 EPA") with Alcan. BC Hydro also filed the 2007 Electricity Purchase Agreement Report to explain its rationale for entering into the 2007 EPA. The 2007 EPA is a long-term agreement under which Alcan will provide BC Hydro with capacity, firm and non-firm energy, and new mechanisms to take advantage of the operating synergies that exist between BC Hydro's and Alcan's facilities. The 2007 EPA establishes a fixed price for each product sold to BC Hydro, and the prices escalate according to formulae based on the Canadian Consumer Price Index. On January 29, 2008, following an oral public hearing held in November 2007, the Commission issued Order E-3-08 which accepted the 2007 EPA for filing as an energy supply contract.

BC Hydro filed its Integrated Electricity Plan ("IEP"), which is a long-term planning document, on March 29, 2006 and its F2007/F2008 Revenue Requirements Application ("F2007/08 RRA") on May 25, 2006. The Commission established procedural conferences to determine the formal processes for reviewing the IEP and the F2007/08 RRA. Following a procedural conference in August 2006 the Commission established a NSP for the review of the Revenue Requirements application and an oral hearing to review the IEP. A negotiated settlement on the Revenue Requirement was reached and made public on November 6, 2006. The settlement agreement was approved by Commission Order G-143-06 on November 10, 2006.

The oral hearing to review BC Hydro's IEP and Long-Term Acquisition Plan ("LTAP") commenced on November 22, 2006 and concluded on January 12, 2007 after 18 hearing days. The written final arguments and reply were completed by March 7, 2007. The Commission's Decision on the IEP and the LTAP was issued on May 11, 2007.

BC Hydro filed its 2007 Rate Design Application ("RDA") on March 15, 2007. First, BC Hydro proposed that each customer class bears a fair share of the costs caused by that class and that customer classes' revenue to cost ratios should fall within a range of 90 percent to 110 percent. Second, BC Hydro proposed to restructure the rate for large general service customers over a three-year period and to phase out the E-Plus rate over a ten-year period. Third, BC Hydro proposed to eliminate ten rate schedules and proposed to simplify the calculation of the Extension Fee for new customers.

The Commission established an oral public hearing, which commenced on July 9, 2007. At the outset of the hearing, the Heiltsuk Tribal Council and Shearwater Marine Limited ("Heiltsuk") requested that the hearing include issues related to the rates in the Bella Bella area, which is currently served under Zone II rates as a Non-Integrated Area ("NIA") unconnected to the larger BC Hydro electricity grid. After hearing submissions on the matter, the Commission determined that the review would proceed in three phases: Phase one would review issues related to Zone I rates; Phase II would review issues related to the Bella Bella NIA Customers; Phase III would comprise BC Hydro's Special Contract Rates for three Independent Power Producers serving Zone II areas.

On September 19, 2007 the Commission issued Order G-11-07 without reasons, directing BC Hydro to recalculate its Cost of Service study ("COS") based on factors as directed by the Commission. On October 26, 2007, the Commission issued its final Order G-130-07 and its Phase I Decision. In the Decision, the Commission denied BC Hydro's proposed range of reasonableness of 90 percent to 110 percent and directed BC Hydro to adjust its rates in equal percentage amounts over the next three years so as to achieve revenue to cost ratios of unity for each rate class. The Commission also denied BC Hydro's proposal to phase-out residential E-Plus rates and directed BC Hydro to include the interruptible service to its E-Plus customers as a separate class in its future COS.

The Commission also denied BC Hydro's proposal to restructure its Large General Service rate, noting that the proposal resulted in large bill increases to high demand, high load factor customers.

The Commission accepted BC Hydro's proposal to amend its System Extension Test ("SET") to base the maximum allowance (that is, amount of its investment) in a new distribution extension on the present value of the expected distribution demand-related revenue over a 20-year period. However, the Commission directed BC Hydro to recalculate the maximum allowance in the SET based on the Commission's findings. Following a reconsideration request by BC Hydro the Commission approved a maximum extension allowance for new residential customers of $1,475.

The Commission issued its Decision on Phases II and III of the proceeding on December 21, 2007. The Commission directed for Phase II that BC Hydro should amend its tariff, effective April 1, 2008, to allow the Bella Bella NIA to qualify for Zone I rates. In the Phase III part of the Decision the Commission approved BC Hydro's application to remove from its Tariff the section that permits BC Hydro to place larger Zone II customers on a Special Contract, and approved a Special Contract rate of 17.69 cents per kWh for the period June 1, 2007 to November 1, 2007.

By letter dated February 20, 2008, BC Hydro applied for a reconsideration and orders temporarily suspending the orders and directions in the Phase I RDA that collectively required BC Hydro's rates to increase or decrease to achieve the revenue-to-cost ratios prescribed by the Commission. Appendix B to the reconsideration application was a letter dated February 15, 2008 from the Minister of Energy, Mines and Petroleum Resources, which stated in part that the Government intends to introduce legislation in the spring 2008 sitting of the Legislature that would ensure that the rate rebalancing elements of the Commission's Rate Design Decision would not be implemented.

On February 22, 2008, the Commission issued Letter L-5-08 establishing a written proceeding to review BC Hydro's Reconsideration Application. Following the proceeding, the Commission issued Order G-34-08 which, given the changed circumstances resulting from the Minister's Letter, granted the relief requested by BC Hydro.

In February 2008, BC Hydro filed its F2009/F2010 Revenue Requirements Application, its Transmission Service Rate Re-pricing Application and its Residential Inclining Block Rate Application. Following a Procedural Conference concerning all three applications, held on April 28, 2008, the Commission issued Order G-76-08 establishing an Oral public hearing for the Residential Inclining Block Application, Order G-77-08 establishing a Written Hearing for the Transmission Service Rate Re-pricing Application, and Order G-78-08 establishing a NSP for the Revenue Requirements Application.

Energy Trade

Energy trade with other jurisdictions is an important source of revenue to BC Hydro ratepayers. Under Special Direction No. HC2 net trade income up to $200 million is credited to ratepayers.

Electricity trade revenues tend to be highest when market prices are high. For example, in the western U.S. low levels of electricity infrastructure investment, low precipitation and growing demand led to abnormally high market prices and shortages during peak periods in 2000. In 2001 and 2002, a reversal of these factors led to

a surplus of electricity and a reduction in the market prices for electricity. In fiscal 2007/08, trade revenues were $1,406 million compared to $1,584 million in the prior year. *(NB. Trade revenues for the year taken from the Operating Statistics table in BC Hydro's annual report.)*

Cross-jurisdictional bodies facilitate trade but constrain the ability of the province to formulate policies in isolation of events outside its border. Events in other jurisdictions can significantly affect the level of trade or the amount of revenue arising from energy trade. In order to remain informed of events related to energy trade and reliability, the BCUC has ties with tribunals in neighbouring provinces and states and participates in cross-jurisdictional initiatives such as the Western Electric Coordinating Council ("WECC"). The Commission also plays an active role in the Canadian Association of Members of Public Utility Tribunals ("CAMPUT"). The Commission continues to explore with other regulators harmonization, standardization, and streamlining of regulation within the limits of its enabling legislation.

FortisBC Inc.

Okanagan Transmission Reinforcement

On December 19, 2007, FortisBC applied for a CPCN for the Okanagan Transmission Reinforcement ("OTR") project to accommodate load growth in the Penticton area, provide full supply to Kelowna under normal and single-contingency conditions, and enhance double-contingency reliability for the Kelowna area. Following a Procedural Conference on February 27, 2008, the Commission issued Order G-35-08, establishing that the Application will be reviewed in an Oral public hearing, commencing June 23, 2008, in Penticton.

Advanced Metering Infrastructure

On December 19, 2007, FortisBC applied for a CPCN to proceed with the implementation of Advanced Metering Infrastructure ("AMI"). AMI is intended to allow for the implementation of innovative rate structures in support of the 2007 BC Energy Plan; permit more frequent meter readings, and allow more flexible reading dates; reduce meter reading costs, including exposure to higher than average inflationary costs for labour and fuel; eliminate the use of reading estimates and increase the level of accuracy of customer bills; reduce exposure of FortisBC employees to safety risks; and allow meters to be read without having to access customer premises. On January 4, 2008, Commission Order G-1-08 established that AMI would be reviewed by a written public hearing.

On March 28, 2008, FortisBC amended its application. On March 31, 2008, the Minister of Energy, Mines and Petroleum Resources announced Bill 15-2008, The Utilities Commission Amendment Act, 2008 ("Bill 15"). Bill 15 included "Smart Meter" provisions of possible consequence to the AMI Application. On April 1, 2008, the Commission requested FortisBC to file any further amendments that might be necessitated by Bill 15.

On April 2, 2008, the Commission requested submissions from FortisBC and Intervenors concerning Bill 15's impact on AMI, and associated implications for the hearing procedures. By Order G-62-08, dated April 30, 2008, the Commission determined that FortisBC's amended application will be the basis for the AMI hearing. The written public hearing is currently in progress and is scheduled to conclude on June 25, 2008.

2008 Revenue Requirements

Commission Order G-58-06, dated December 4, 2007, approved for FortisBC a Performance-Based Regulation ("PBR") Settlement for the years 2007, 2008 and potentially 2009. The PBR Settlement requires FortisBC to hold an Annual Review, Workshop and NSP each November with a goal of achieving firm rates by December 1st for the following year.

On October 1, 2007, FortisBC filed its Preliminary 2008 Revenue Requirements, seeking a 4.0 percent general rate increase effective January 1, 2008. On November 1, 2007, Fortis BC filed an update to the Application that incorporated financial results and forecasts as of September 30, 2007, and sought a lower general rate increase of 3.4 percent.

The 2007 Annual Review and 2008 Revenue Requirements Settlement discussions led to a proposed Settlement Agreement. The proposed Settlement Agreement was for a general rate increase of 2.9 percent, effective January 1, 2008. It was agreed to by FortisBC and most Intervenors. On October 30, 2007, the federal government announced its intention to reduce the 2008 income tax rate by one percent. The amendment was incorporated and resulted in a "Modified Settlement Agreement." On November 23, 2007, by Order G-147-07, the Commission approved the Modified Settlement Agreement.

Big White Ski Resort Rate Design

On March 9, 2006, FortisBC applied to the Commission for a CPCN for the Big White Supply Project. The project is an upgrade of the transmission and distribution facilities at Big White Ski Resort ("BWSR") near Kelowna. The project CPCN was approved by Order C-17-06 and, in the accompanying Decision, the Commission directed FortisBC to file a rate design application within 90 days of the Decision. The Commission

considered the possible need to attach a rate rider to some, if not all, BWSR customers in order to ensure cost recovery without unduly burdening other FortisBC customers. The issue of whether to attach any form of rider was termed "the Preliminary Question."

FortisBC and BWSR subsequently applied to the Commission for reconsideration, rescission and variance of Order C-17-06 and the Reasons for Decision with respect to project costs being allocated only to Big White ratepayers rather than all FortisBC ratepayers. In an October 13, 2006 letter, the Commission established a two-phase written process for both the BWSR and FortisBC Reconsideration Applications. Order G-154-06 denied both Reconsideration Applications and instructed FortisBC to file a rate design application for BWSR within 90 days.

FortisBC filed its application for a rate design on the Big White Supply Project on March 6, 2007. On April 23, 2007, the Commission issued Order G-46-07 establishing a written process to consider the Preliminary Question. After considering the submissions, the Commission issued Order G-87-07, with Reasons for Decision approving the inclusion of the costs of the Big White project within the general FortisBC rate base.

Substation Related Reviews

During 2007-2008, the Commission reviewed several FortisBC Applications for substation-related CPCNs including: Black Mountain Substation, the Distribution Substation Automation Program, the Ellison Substation Project, the Naramata Substation Project, and the Ootischenia Substation near Castlegar.

Highlights in Automobile Insurance

ICBC – 2007 Revenue Requirements

On March 16, 2007 ICBC submitted an application for approval of its 2007 Revenue Requirements ("2007 RRA") for Universal Compulsory Automobile Insurance ("Basic Insurance"). ICBC's other line of business, optional insurance, is not regulated. The 2007 RRA requested a rate increase of 3.3 percent, effective May 1, 2007, except for rates for garage and fleet vehicle classes.

The proposed rate increase was based on expected claims costs, and on new capital adequacy requirements. A previous Commission Order, G-86-06, concerning ICBC's 2006 Revenue Requirements application, directed ICBC to include in its next revenue requirements filing two elements measuring the adequacy of ICBC's capital to cover its risk exposure: the Minimum Capital Test ("MCT"), which establishes an

insurer's required ratio of capital available to capital required, and the Dynamic Capital Adequacy Test ("DCAT"), which is a process of projecting and analyzing the trends of a company's capital adequacy under a variety of future scenarios.

Commission Order G-32-07, issued March 19, 2007, established a Workshop and Pre-hearing Conference regarding both its 2007 RRA and its anticipated Rate Design application ("RDA"). After the Workshop and Pre-hearing Conference, Commission Order G-48-07 established that the Basic Insurance-RRA and the RDA would be reviewed in a combined regulatory process but each Application would have its own separate record of evidence. The Basic Insurance-RRA would be examined in a Written Hearing process for the non-actuarial matters, and actuarial matters from the RRA would be examined in an Oral public hearing.

The Oral public hearing commenced on July 30, 2007, and concluded on July 31, 2007. On January 9, 2008, the Commission issued Order G-3-08, and Reasons for Decision, approving the 2007 RRA as requested by ICBC and giving direction to ICBC with respect to its MCT ratios.

ICBC -2007 Rate Design

On March 29, 2007, ICBC submitted an Application Respecting Rate Design for Basic Insurance ("RDA"). The RDA included moving toward actuarially-determined rates, replacing the Driver Penalty Point ("DPP") premium structure with a Driver Risk Premium ("DRP"), and implementing a new $25 fee for Other Operators (drivers other than the registered owner or principal operator of the vehicle) to allow ICBC to collect needed data on which to determine an actuarial rate for Other Operators.

Following a procedural conference, the Commission established that the RDA would be reviewed by an oral hearing process held in combination with the ICBC 2007 RRA, but with a separate evidentiary record. During the hearing, ICBC indicated that, in order to satisfactorily communicate with the public regarding DRP, a ruling on that aspect of the RDA was desirable by not later than the end of October. On October 17, 2007, the Commission issued Order G-126-07, approving DRP as being necessary and in the public interest.

On January 9, 2008, the Commission approved the filed Basic Insurance-RDA, with the exception that ICBC's request to implement future, actuarially-driven rate adjustments without further Commission approval was denied.

ICBC – Regional Claims Centres Cost Allocation

On December 21, 2007, ICBC filed an application respecting the allocation of costs of its Regional Claim Centres ("Allocation Application"). The Allocation Application was required as part of the 2005 ICBC Negotiated Settlement Agreement, which addressed seven financial allocation functions. Commission Order G-2-08 established a Workshop and NSP to review the application.

The NSP led to a Settlement Agreement which, although not unanimously supported, was approved by Commission Order G-73-08.

2008/09 Anticipated Events

During the 2008/09 fiscal year the Commission expects to complete its reviews of the following major applications:

- British Columbia Hydro and Power Authority F2009 and F2010 Revenue Requirements Application
- British Columbia Hydro and Power Authority Residential Inclining Block Application
- British Columbia Hydro and Power Authority Transmission Service Rate Re-pricing Application
- British Columbia Hydro and Power Authority Long-Term Acquisition Plan
- British Columbia Transmission Corporation Application for a Certificate of Public Convenience and Necessity for Interior to Lower Mainland Transmission Reinforcement
- British Columbia Transmission Corporation Application for a Certificate of Public Convenience and Necessity for Central Vancouver Island Transmission Reinforcement
- British Columbia Transmission Corporation F2009 and F2010 Revenue Requirements Application
- British Columbia Transmission Corporation F2009-F2018 Capital Plan Application
- British Columbia Transmission Corporation Rate Design Review and FERC 890 Tariff Amendments Application
- FortisBC Inc. Application for a Certificate of Public Convenience and Necessity for Advanced Metering Infrastructure
- FortisBC Application for a Certificate of Public Convenience and Necessity for Okanagan Transmission Reinforcement
- FortisBC Long-Term Resource Plan
- Pacific Northern Gas Ltd. 2009 Revenue Requirements Application, Pacific Northern Gas (N.E.) Ltd. 2009 Revenue Requirements Application
- Terasen Gas Inc. and Terasen Gas (Vancouver Island) Inc. Energy Efficiency and Conservation Plan Application
- Terasen Gas Inc., Terasen Gas (Vancouver Island) Inc., and Terasen Gas (Whistler) Inc. Combined Resource Plan Application.
- Terasen Gas (Whistler) Inc. 2009 Revenue Requirements Application
- Plateau Pipe line Ltd. 2007 and 2008 Western System Toll Application.

Report on Performance

The Commission's overarching mandate is to ensure that ratepayers receive safe, reliable and nondiscriminatory energy services at fair rates from regulated energy utilities; that shareholders of those energy utilities are afforded a reasonable opportunity to earn a fair return on their invested capital; that service to basic automobile insurance policyholders is adequate, efficient, just and reasonable and that ICBC optional insurance is not subsidized by other ICBC operations. The BCUC also has a mandate to ensure that customer complaints of unfair treatment by utilities and marketers are heard and dealt with fairly.

To effectively deliver its core services, the Commission has organized its regulatory functions by area of activity, built on the knowledge of its interdisciplinary teams. The primary areas of activities are:

(1) Revenue Requirements;
(2) Rate Design;
(3) Capital Projects Review;
(4) Oversight of Energy Commodity Cost and Competitive Market Development;
(5) Safety and Reliability;
(6) Information Service and Complaints; and
(7) Activities related to the BC Energy Plan.

It is the aim of the Commission to deliver its core services in an efficient and effective manner without incurring unnecessary costs and burdensome regulatory requirements.

Comparisons with Other Jurisdictions

The BCUC has been operating at costs and staffing levels that are significantly lower than comparable tribunals (Table 1 following). When compiling the statistics, the Commission contacts the other tribunals to ensure that the statistics only include the portion of their budgets devoted to energy regulation. The Commission aims to update these benchmark statistics periodically, if not every year, as necessary and appropriate.

Table 1 – Benchmark comparison to Other Jurisdictions (2005)

	Members	Staff	Budget	Population (million)	Per Capita Cost of Regulation[1]
B.C. Utilities Commission	3 full-time Commissioners including Chair 6 part-time Commissioners	23	$5.0 million, fully cost recovered	4.196	$ 1.11/year (includes regulation of utilities and auto insurance)
Ontario Energy Board	8 full-time Commissioners, including Chair and 1 Vice Chairs 2 part-time Commissioners	*Not available*	$31.2 million fully cost recovered	12.393	$2.52/year
Quebec Régie de l'énergie	9 full-time Commissioners, including Chair and one vice chair 0 part-time Commissioners	22 staff (excluding administrative services) and 7 board counsel	$8.0 million (excl portion for monitoring of petroleum activities) fully cost recovered	7.543	$1.06/year
Newfoundland Board of Commissioners of Public Utilities	2 full-time Commissioners, including Chair and Vice Chair 6 part-time Commissioners	16	$1.2 million (utilities), $0.5 million (auto insurance) fully cost recovered	0.517	$3.29/year (for both utilities and auto insurance regulation)
Alberta Energy and Utilities Board	9 full-time Members, including Chair	50 "utilities" staff 768 "oil and gas" staff	$130.4 million (total) $8.2 million (utilities) 78%% cost recovered, 22% funded by government	3.202	$2.56/year

[1] The annual budget or the most comparable portion of the budget divided by the most recent population estimate for the province (2004) or state (2003).

Table 1 – Benchmark comparison to Other Jurisdictions (2005)

	Members	Staff	Budget	Population (million)	Per Capita Cost of Regulation[1]
National Energy Board	8 full-time Members, including Chair and 1 Vice Chair 1 part-time Member	299	$35.5 million 90% cost recovered 10% funded by government	N/A	not comparable
New Brunswick Board of Commissioners of Public Utilities	1 full-time Commissioner (Chair) 1 Temporary Commissioner (Vice-Chair)	14	$3.4 million, fully cost recovered; 99.5% energy utilities, 0.5% motor carrier	0.751	$ 4.50/year
Washington State Utilities and Transportation Commission	3 full-time Commissioners, including Chair 0 Temporary Commissioners	164 total; 45 energy utilities	$16.5 million, 27.6% ($4.6 million) energy utilities funded on a cost-recovery basis	6.131	$0.74/year
Nova Scotia Utility and Review Board	6 full-time Commissioner (including Chair and Vice-Chair) 1 Temporary Commissioner	38 total; 7 energy utilities	$4.7 million, 1.4 million energy and water utilities	0.937	$ 1.47/year

Financial Report

Commission Recovery and Expenditure Summary

Authority for Cost Recovery

Beginning in 1988, the Commission was authorized to recover its costs from regulated utilities and pipeline companies by fixing levies according to Section 125 of the UCA and parameters set out in the Levy Regulation (BC Reg. 283/88). The Commission recovers most of its costs by way of a "per gigajoule" levy assessed on each utility, based on the amount of energy it sold in the previous calendar year. The Commission recovers its estimated annual regulatory costs from the Insurance Corporation of British Columbia and British Columbia Transmission Corporation. The Commission also bills utilities for the public hearing costs that are attributed directly to those utilities. Direct recoveries have varied significantly from year to year, depending on the number and duration of regulatory hearings and inquiries. Revenues are also collected from intraprovincial petroleum pipeline companies, natural gas marketer licencees, and from other utility regulatory agencies that contract with the Commission for advice and assistance.

Levy 2008/09

The Commission's fiscal year runs from April 1 to March 31. The voted expenditure for the 2007/08 fiscal year was $5,611,000.00. Of this, $400,000.00 was forecasted to be recovered directly from utilities for Commission expenditures attributable to their public hearings and other proceedings under the Act. The Commission's recovery from the regulation of ICBC and BCTC was $600,000 each, natural gas marketer licencees $12,000.00 and from intra-provincial oil pipeline companies and upstream gas producers was $11,000.00 This left a net annual budget of $3,235,062.31 to be recovered from the levy, as identified in the formula below.

$$\frac{\text{Total Budgeted Expenditures minus estimated Direct and ICBC/BCTC Recoveries (\$)}}{\text{Total Utility Energy Volumes sold in previous calendar year (GJ)}} = \frac{\$2,334,107.98}{433,924,200\ \text{GJ}} = 0.0053790685/\text{GJ}$$

The Commission's costs were therefore expected to be recovered from a levy of $0.0053790685/GJ for the fiscal year beginning April 1, 2008 payable by utilities in four quarterly installments.

Levy Billing Adjustments

Lower than forecasted Commission expenditures and higher other recoveries in the 2006/07 fiscal year resulted in a year-end credit from 2006/07 levy payments received of $752,937.61. This amount was credited to the utilities' quarterly billings in 2007/08. The Commission had a March 31, 2008 end of year surplus of $1,669,915.09. This amount will be credited back to the utilities in each quarterly billing of Commission costs for 2008/09. The Commission's regulatory proceeding costs are expected to be close to the approved budget limit requiring a full recovery from utilities.

2007/08 Revenues and Expenses

Levy billed and Recoveries received in 2007/08	$5,818,954.28	
Add: Deferred Revenue from 2006/07 Levy	752,937.61	
Less: Bank Charge	(5.00)	
Total Recoveries (see below)		$6,571,886.89
Less: Expenditures (see below)		(4,901,971.80)
Revenue deferred to 2007/08		$1,669,915.09

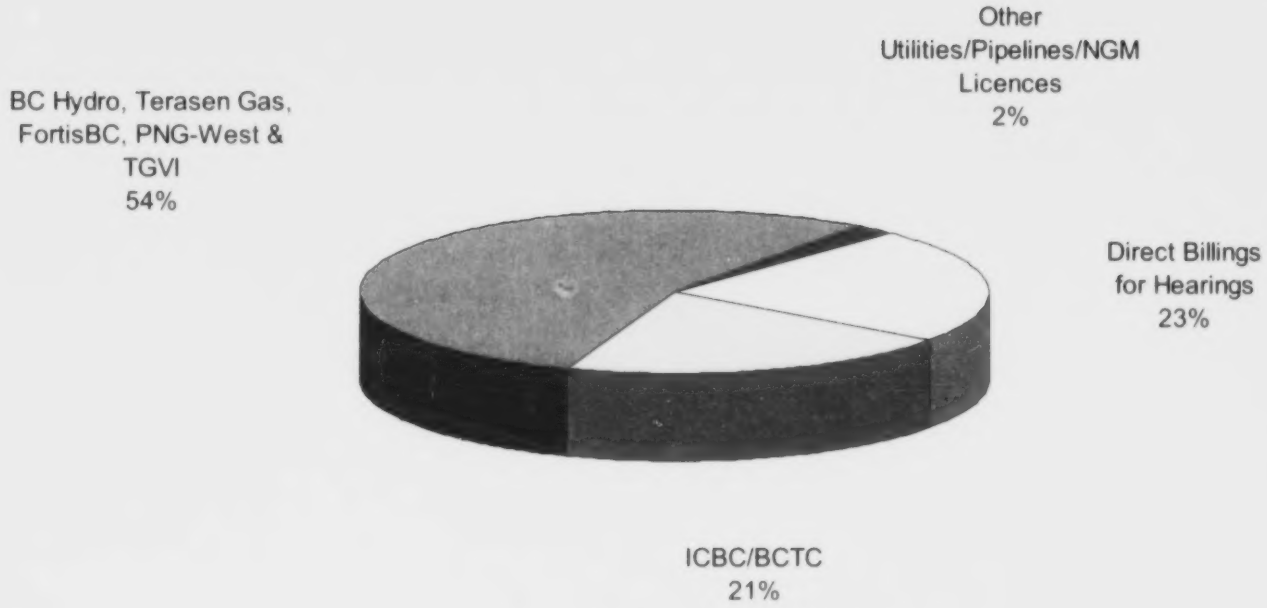
The levy amounts recovered from utilities and other revenue sources for the 2007/08 fiscal year are as follows:

Commission Revenues Recovered Through the Levy (Order No. G-62-07)	**Amounts Recovered 2007/08 Fiscal Year (Actual)**
British Columbia Hydro and Power Authority	$1,458,005.01
British Columbia Transmission Corporation	600,000.00
Cal-Gas Inc.	103.08
Central Heat Distribution Limited	9,452.84
Corix Multi-Utility Services Inc.	
~ Gas	
~ Electric	592.39
Corporation of the City of Nelson	1,659.00
FortisBC Inc.	61,875.64
Hemlock Valley Electrical Services Limited	24.60
Insurance Corporation of British Columbia	600,000.00
Pacific Northern Gas Ltd.	55,368.88
Pacific Northern Gas (N.E.) Ltd.	
~ Dawson Creek and Fort St. John	36,479.08
~ Tumbler Ridge	6,447.28
Port Alice Gas Inc.	126.88
Big White Gas Utility (formerly R334 Enterprises Ltd.)	309.28
Silversmith Power & Light Corporation	1.59
Stargas Utilities Ltd.	261.70
Sun Peaks Utilities Co., Ltd.	594.77
Terasen Gas Inc.	
~ Lower Mainland Division	923,737.28
~ Inland Division	400,429.16
~ Columbia Division	43,616.28
~ Fort Nelson Division	7,049.86
Terasen Gas (Vancouver Island) Inc.	223,188.48
Terasen Gas (Whistler) Inc.	5,717.68
The Yukon Electrical Company Limited	21.40
Sub-Total	4,435,062.26

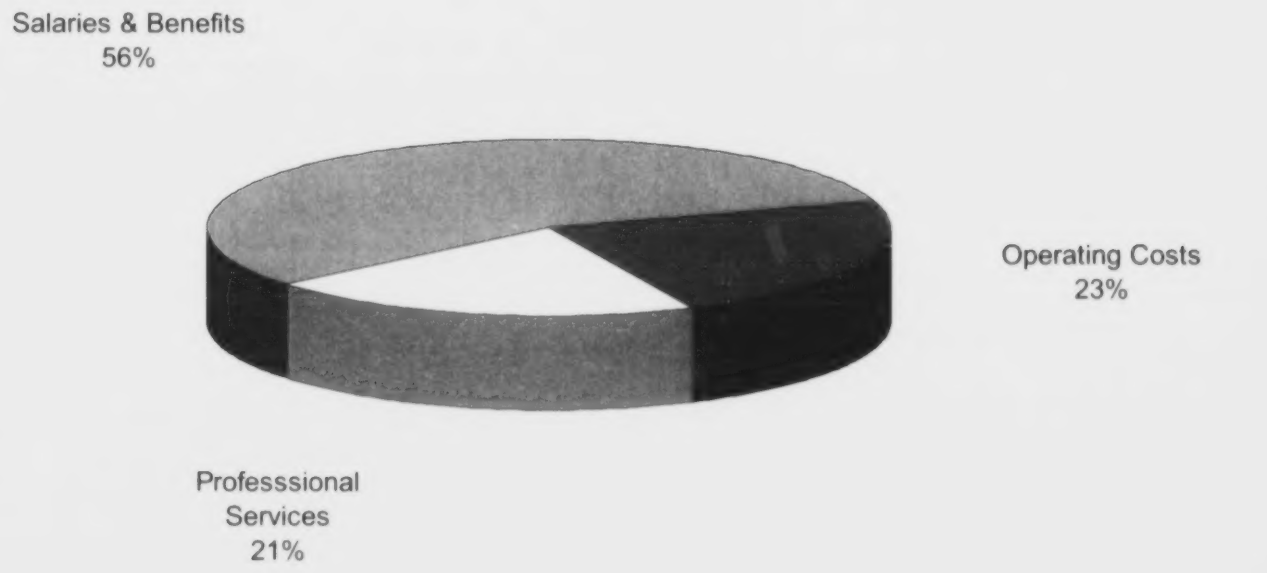
Natural Gas Marketer Licences and Penalties		
Access Gas Services	$ 1,000.00	
Active Energy	2,000.00	
Ag Energy Cooperative/Firefly Energy	2,000.00	
Coral Energy	1,000.00	
CEG Energy Options	3,000.00	
Direct Energy Marketing	1,000.00	
Energy Savings (B.C.) Limited	1,000.00	
MxEnergy (Canada) Ltd.	1,000.00	
Nexen Marketing	1,000.00	
Planet Energy (BC) Corp.	1,000.00	
Premstar Energy Canada	1,000.00	
Shell Energy (formerly Coral Energy Canada Inc.)	1,000.00	
Smart Energy	7,000.00	
Summitt Energy	2,000.00	
Superior Energy	2,000.00	
Tahoe Energy	1,000.00	
Terasen Energy Marketing	1,000.00	
Universal Energy	1,000.00	
Wholesale Energy Group	6,000.00	
		$36,000.00
Recoveries from Intra-Provincial Oil Pipelines and Other Companies		
AltaGas Ltd.	$1,000.00	
Plateau Pipeline Ltd.	5,000.00	
Canadian Natural Resources Limited – West Stoddart Plant	2,000.00	
Spectra Energy (formerly Duke Energy Field Services – Westcoast Gas Services Inc.)	4,000.00	
Keyera Energy	1,000.00	
Trans Mountain (Jet Fuel) Inc. (Kinder Morgan)	1,000.00	
		$14,000.00
Miscellaneous Revenues		
Commission Contract with Saskatchewan Rate Review Panel	0.0	
Recovery of Proceeding Costs from Utilities	1,333,892.02	
Deferred Revenue from 2006/07 (credited to utilities' quarterly billings in 2007/08)	752,937.61	
Bank Charges for Photocopying	(5.00)	
		2,086,824.63
TOTAL REVENUES		**$6,571,886.89**

Commission Expenditures per Expense Category	Expenditures 2007/08 Fiscal Year (Actual)
Salaries and Benefits	2,753,661.12
Operating Costs	1,120,609.43
Professional Services (Counsel and Consultants)	1,027,701.25
TOTAL EXPENDITURES	**$4,901,971.80**

REVENUES



EXPENDITURES



Corporate Governance

The Utilities Commission Act provides for the appointment by the Lieutenant Governor in Council of a chair, and after consultation with the Chair, other commissioners and a deputy chair. As of March 31, 2008, there were six part-time Commissioners, two full-time Commissioners and the Chair.

Following are brief biographies for Commissioners and part-time Commissioners serving in the 2007/08 fiscal year:

Robert H. Hobbs, Chair and Chief Executive Officer

Brandon University, 1979 (B.Sc. Mathematics); University of Manitoba, 1982 (LL.B); University of Western Ontario, 1987 (M.B.A.); 1989 - 2001 Aquila Networks Canada (British Columbia) Ltd., last position held Vice President, Regulatory and Legislative Services; Member of the Law Society of British Columbia (inactive); appointed full-time Commissioner March 2003; appointed Chair and Chief Executive Officer August 2003.

Leonard F. Kelsey, Commissioner

Vice President British Columbia Automobile Association (18 years); Chief Operating Officer, BCAA Insurance Corporation, retired 2002; past Member B.C. Committee, Insurance Bureau of Canada; Public Administrator and past Chair, North Shore Health Region; independent Business Consultant; appointed September 2003.

Alison A. Rhodes, Commissioner

University of British Columbia, 1976 (B.A. - economics major); University of Western Ontario, 1983 (LL.B, MBA); Practiced law 1984 to 2004; Vice President Jardine Lloyd Thompson Canada - 2004 to 2008; appointed December 2007.

Nadine F. Nicholls, Part-time Commissioner

University of British Columbia, 1976 (B.Sc. Mathematics); University of British Columbia, 1982 (M.Sc.); rates economist, British Columbia Hydro and Power Authority (1980-83); electricity utilities advisor, Government of the Northwest Territories (1990-92); energy policy consultant in the Northwest Territories (1993-98); appointed March 2000.

Robert J. (Bob) Milbourne, Part-time Commissioner

University of British Columbia (BASc. Metallurgical Engineering); P.Eng. (B.C., Ontario); Stelco Inc., retired as Senior Executive and Member of the Board of Directors 1996; Principal, Milbourne and Company (Business Advisors) 1997; Hatch Associates Ltd., Director 1997-2002; Bruce Power Inc., Director 2001); Member Ontario Human Rights Commission 1991-1996); Member, B.C. Securities Commission 2002; appointed August 2003.

Peter E. Vivian, Part-time Commissioner

University of Toronto, 1965 (Bachelor of Applied Science – Electronics); University of Western Ontario (Bachelor of Law); Flight Lieutenant, RCAF; Professor of Law at the universities of Western Ontario, Ottawa and Victoria; General Manager, Canadian Law Information Council (1975-77); various positions with the BCE Inc. group of companies (1977-97); Vice President and Chief of Staff, The Business Council on National Issues (now the Council of Canadian Chief Executives) (1982-84, 1989-90); Executive Director, Telecommunications, CRTC (1998-2000); Principal, Vivian Associations, Consultants to Management (2000-present); appointed August 2003.

Liisa A. O'Hara, Part-time Commissioner

University of British Columbia, 1976 (M.Sc., Business Administration), Certified General Accountant, 1984, Senior pipeline executive (21 years), retired from Terasen Pipelines in 2004 as Vice President, Financial Services and Regulatory Affairs; prior to the career in energy, Manager Financial Analysis and Regulatory Affairs with CP Air (8 years). Currently serves as Executive-In-Residence at Sauder School of Business, UBC; appointed in January 2005.

Anthony T. Pullman, Part-time Commissioner

Keble College Oxford (B.A. 1967 , M.A. 2001) Chartered Accountant 1970; retired from the ATCO Group in 2004 after 24 years of service -Vice President Controller Alberta Power Limited (1980-1985); Vice President Controller and Vice President Planning and Budgeting ATCO Ltd (1985-1993); Senior Vice President Finance ATCO Power Ltd (1993-2004); Chairman Calgary District Hospital Group (1989-1991); Chairman Alberta Blue Cross Plan (1996-1998); appointed March 2006.

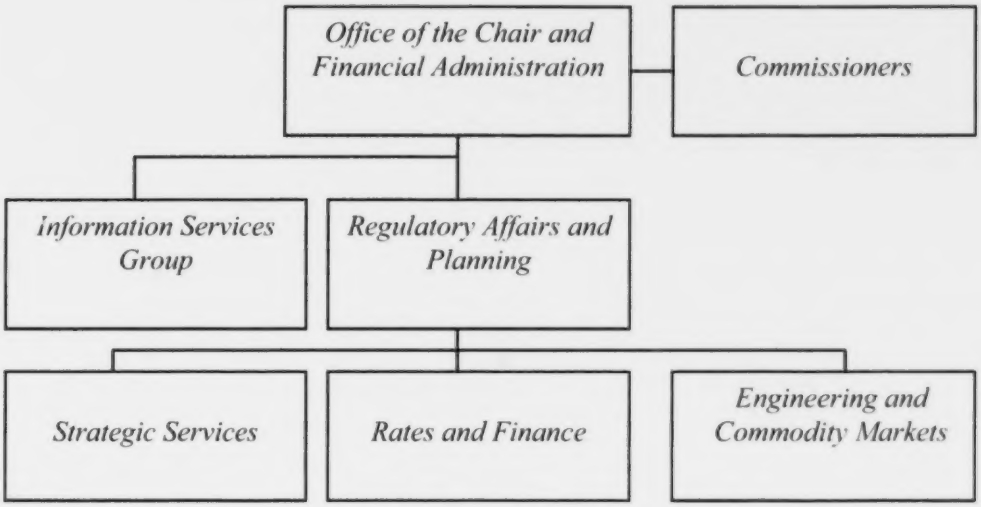
A.W. (Keith) Anderson, Part-time Commissioner

Bachelor of Commerce, University of Alberta, Chartered Accountant; Retired from PricewaterhouseCoopers in 2001 as Partner responsible for PwC's Energy Utilities practice in Canada; over 35 years experience as a strategic planning, financial, and regulatory consultant in the energy utilities and other sectors including gas, electric and pipeline utilities, financial institutions, telecommunications and transportation companies; currently an independent financial and management advisory consultant and serves as a director and advisor of private corporations; appointed April 1, 2006.

Lori Ann Zaozirny (nee Boychuk), Commissioner

University of Western Ontario (L.L.B.); Senior Legal Counsel, National Energy Board (1992-94 and 1997-2003); Legal Assistant to the Chief Justice, Court of Queen's Bench of Alberta (1995-97); Clerk to the Chief Justice, Federal Court of Canada, Trial Division (1990-1992); articled with McCarthy Tétrault (Alberta) and Fraser, Milner (Ontario); and, prior to legal/energy career, Personnel/Human Resources and Communications positions in the Federal Government of Canada (1980-1986); appointed August 2003; Retired September 2007.

The organization chart below shows the reporting structure within the Commission.



The Chair is responsible for managing human resources, performance management, and compensation issues.

The Commission staff is organized into three groups:

- **Information Services Group**

Consists of the Commission Secretary, the Assistant Commission Secretary, Customer Choice Administrator, and the Information Services Group. The Commission Secretary acts as the official contact for both regulated utilities and the public. The department responds to all information requests (including Freedom of Information requests), prepares Annual Reports and quarterly Regulatory Updates, provides research support, web site services, media interaction, maintains Application Exhibit Binders, the Commission's database of mailing lists, and library services. It also deals with natural gas marketer and utility customer complaints and operates and maintains the Commission's information resources.

- **Regulatory Affairs and Planning**

Consists of professional staff with expertise and experience in the areas of accounting, economics, ratemaking, and engineering. The regulatory affairs and planning functions of the Commission include the review of financial, accounting, social and economic aspects of energy utility activities and of the provision of Basic automobile insurance by ICBC. The regulatory affairs staff also reviews energy supply and demand,

including conservation impacts, and the safety aspects of energy production, transmission, and distribution. In considering a matter under review by the Commission, staff have a responsibility to develop a full record of evidence. This often requires that staff be technical advisors to the Commission, and also provide external expert witnesses to testify at hearings.

- **Office of the Chair and Financial Administration**

Conducts background research and prepares decision support for management policies and decisions in areas such as personnel and financial management, budget preparation, internal policies, external relations with government, other agencies, utilities and the public. It also provides a range of administrative, financial and human resource services to the Commissioners and staff.

Following is a list of the Commission staff as of March 2008, their positions and departments.

OFFICE OF THE CHAIR AND FINANCIAL ADMINISTRATION

Viki Vourlis	_____	Assistant to the Chair and Manager, Financial Administration
Denise Goddard	_____	Financial Assistant/Administrative Clerk

COMMISSION SECRETARY'S OFFICE AND INFORMATION SERVICES GROUP

Erica M. Hamilton	_____	Commission Secretary
Constance M. Smith	_____	Assistant Commission Secretary
Alison H. Cormack	_____	Information Services Officer
Vivian Lee	_____	Customer Choice Administrator
Debra L. Frank	_____	Administrative Clerk
Yvonne M. Lapierre	_____	Administrative Clerk
Daniela Guest	_____	Administrative Clerk
Bonita Harvey	_____	Administrative Clerk/Web Administrator
Kathy Grasty	_____	Administrative Clerk/Receptionist

REGULATORY AFFAIRS AND PLANNING

William J. Grant	_____	***Transition Advisor***
Rose A. Tomen	_____	Administrative Clerk

STRATEGIC SERVICES

James W. Fraser	_____	Director
Eileen Cheng	_____	Senior Economist
Tony Roberts	_____	Senior Economist

Rates and Finance

Philip W. Nakoneshny	_____	Director
Doug Chong	_____	Senior Financial Analyst
Susanne Sue	_____	Financial Analyst
Stuart Mah	_____	Financial Analyst

Engineering and Energy Markets

J. Brian Williston	_____	Director
Robert N. Brownell	_____	Senior Commodities Analyst
Don Flintoff	_____	Senior Electrical Engineer

Supplementary Information

Regulated Utilities

CROWN-OWNED ELECTRIC UTILITIES	SERVICE AREA
British Columbia Hydro and Power Authority 333 Dunsmuir Street Vancouver, BC V6B 5R3 Email Contact: regulatory.group@bchydro.com	Lower Mainland, Vancouver Island, Central and Northern BC and East Kootenay Regions
British Columbia Transmission Corporation Suite 1100, Four Bentall Centre 1055 Dunsmuir Street PO Box 49260 Vancouver, BC V7X 1V5 Email Contact: bctc.regulatory@bctc.com	BC Transmission and Integrated Grid System

INVESTOR-OWNED ELECTRIC UTILITIES	SERVICE AREA
Corix Multi Utility Services Inc. (formerly Sun Rivers Services Corp.) #1128 Burdette Street Richmond, BC V6V 2Z3 Email: glenn.laufer@corix.com	Lot 152, CLSR Plan 78619 Kamloops IR No. 1
Hemlock Valley Electrical Services Limited Purchased September 19, 2005 Berezan Management Group Telephone: 604-797-4411	Hemlock Valley
Silversmith Power & Light Corporation Box 369 New Denver, BC V0G 1S0 Email Contact: silversmith@netidea.com	Sandon, BC
FortisBC Inc. P.O. Box 130 Trail, BC V1R 4L4 Email Contact: regulatory@fortisbc.com	West Kootenay and Okanagan Regions of BC Princeton, Osprey Lake and Missezula Lake Areas
The Yukon Electrical Company Limited Box 4190 Whitehorse, Yukon Territory Y1A 3T4 Facsimile Contact: (867) 668-3965	Lower Post

INVESTOR-OWNED NATURAL GAS OR PROPANE UTILITIES	SERVICE AREA
Big White Gas Utility P.O. Box 2039, Station "R" Kelowna, BC V1X 4K5 Email Contact: mvalcourt@bigwhite.com	Big White Ski Resort
Cal-Gas Inc. 4255 – 64th Avenue S.E. Calgary, Alberta T2C 2C8 Facsimile Contact: (403) 279-9098 Email Contact: jsereda@calgasinc.com	Canyon Ridge and Sonoma Pines
Corix Multi Utility Services Inc. 1128 Burdette Street Richmond, BC V6V 2Z3 Email: glenn.laufer@corix.com	Lot 152, CLSR Plan 78619 Kamloops IR No. 1, Panorama and Sonoma Pines
Pacific Northern Gas Ltd. 950 - 1185 West Georgia Street Vancouver, BC V6E 4E6 Email Contact: info@png.ca	Summit Lake to Prince Rupert and Kitimat
Pacific Northern Gas (N.E.) Ltd. 950 - 1185 West Georgia Street Vancouver, BC V6E 4E6 Email Contact: info@png.ca	Dawson Creek, Rolla, Pouce Coupe, Tumbler Ridge, Fort St. John
Pacific Northern Gas Ltd. 950 - 1185 West Georgia Street Vancouver, BC V6E 4E6 Email Contact: info@png.ca	Granisle (Propane Grid System)
Port Alice Gas Inc. #101 - 4381 Dawson Street Burnaby, BC V5C 4B4 Email: david@portalicegas.com	Port Alice (Propane Grid System)
Stargas Utilities Ltd. P.O. Box 3002 Silver Star Mountain, BC V1B 3M1 Email Contact: stargas@shaw.ca	Silver Star resort community
Sun Peaks Utilities Co., Ltd. 1280 Alpine Road Sun Peaks, BC V0E 1Z1 Email Contact: utilities@sunpeaksresort.com	Resort area north of Kamloops

INVESTOR-OWNED NATURAL GAS OR PROPANE UTILITIES *(CONTINUED)*	SERVICE AREA
Terasen Gas Inc. (formerly BC Gas Utility Ltd.) 1111 West Georgia Street Vancouver, BC V6E 4M4 Email: regulatory.affairs@terasengas.com	Lower Mainland, Fort Nelson, Central and Northern Interior, the Kootenays and the Okanagan
Terasen Gas (Vancouver Island) Inc. (formerly Centra Gas British Columbia Inc.) 1675 Douglas Street, P.O. Box 3777 Victoria, BC V8W 3V3 Email: regulatory.affairs@terasengas.com	Sunshine Coast, Powell River, and Vancouver Island north to Campbell River, west to Port Alberni, and south to Victoria
Terasen Gas (Whistler) Inc. (formerly Centra Gas Whistler Inc.) 1675 Douglas Street, P.O. Box 3777 Victoria, BC V8W 3V3 Email: regulatory.affairs@terasengas.com	Whistler (Propane Grid System)
Terasen Gas (Squamish) Inc.* (merged with Terasen Gas Inc. January 2007) 1111 West Georgia Street Vancouver, BC V6E 4M4 Email: regulatory.affairs@terasengas.com	Squamish (Natural Gas)

INVESTOR-OWNED STEAM HEAT UTILITY	SERVICE AREA
Central Heat Distribution Limited 720 Beatty Street Vancouver, BC V6B 2M1 Email Contact: CHDL@telus.net	Downtown Vancouver

REGULATED COMPANY	
COMPULSORY AUTOMOBILE INSURANCE	SERVICE AREA
Insurance Corporation of British Columbia Suite 517 - 151 West Esplanade North Vancouver, B.C. V7M 3H Email Contact: regaffairs@icbc.com	Province of British Columbia

* Effective January 1, 2007, Terasen Gas (Squamish) Inc. operations, billing and tariff were integrated with Terasen Gas Inc.

MUNICIPALLY-OWNED ELECTRIC UTILITIES	SERVICE AREA

Municipally-owned electric utilities are not regulated under the Utilities Commission Act. Only the City of Nelson's electric utility with service outside of the Municipal boundaries is subject to regulation by the British Columbia Utilities Commission.

City of Grand Forks Box 220 Grand Forks, BC V0H 1H0	Grand Forks
City of Kelowna 1435 Water Street Kelowna, BC V1Y 1J4	Kelowna
City of Nelson (also known as Nelson Hydro) 502 Vernon Street Nelson, BC V1L 4E8	Nelson (urban and rural areas)
City of New Westminster 511 Royal Avenue New Westminster, BC V3L 1H9	New Westminster
City of Penticton 616 Okanagan Avenue East Penticton, BC V2A 3K6	Penticton
District of Summerland Box 159 Summerland, BC V0H 1Z0	Summerland

Domestic Electricity Sales - 2007

	Customers #	Revenue ($000)	Sales (GW.h)
CROWN-OWNED ELECTRIC UTILITY			
British Columbia Hydro and Power Authority	1,755,551	2,802,645	52,193.30
MUNICIPALLY-OWNED ELECTRIC UTILITIES			
City of Grand Forks	2,849	2,890	37.00
City of Kelowna	13,206	23,104	313.49
City of Nelson (total urban and rural)	9,529	11,157	61.77
City of New Westminster	30,128	25,055	406.43
City of Penticton	16,250	24,338	333.00
District of Summerland	5,310	6,148	86.91
Total Municipally-Owned	77,272	92,692	1,238.60
INVESTOR-OWNED ELECTRIC UTILITIES			
FortisBC Inc.	104,695	209,651	3,090.37
Hemlock Valley Electrical Services Limited	226	288	1.56
Silversmith Light & Power Corporation	11	34	0.08
Corix Multi-Utility Services Inc.			
CMUS - Sun Rivers[4], Sonoma Pines	517	514	7.87
The Yukon Electrical Company Limited	81	110	0.73
Lower Post BC			
Total Investor-Owned	105,530	210,597	3,100.61
TOTAL ALL ELECTRICAL UTILITIES	**1,938,353**	**3,105,934**	**56,532.51**

NOTES:

1. 1 gigawatt hour (GW.h) = 1 million kilowatt hours.

2. Figures reported are for the 2007 calendar year. Customers reported are as at December 31, 2007.

3. Revenues and sales for BC Hydro and FortisBC Inc. are net of sales to other reporting electrical utilities identified in this table.

4. Effective May 19, 2006, Terasen Multi-Utility Services Inc. was sold by Kinder Morgan, Inc. to Corix Utilities and is operated as Corix Multi Utility Services Inc.

Domestic Gas Sales - 2007

	Customers #	Revenue ($000)	Sales (GJ)(000)
INVESTOR-OWNED NATURAL GAS UTILITIES			
Terasen Gas Inc.[5]			
Lower Mainland Division	574,980	1,120,148	124,064
Inland Division	224,081	330,967	52,635
Columbia Division	22,000	34,911	5,825
Fort Nelson Division	2,368	5,077	825
Terasen Gas (Vancouver Island) Inc.[5]			
Vancouver Island, Powell River and Sunshine Coast areas	91,245	189,319	35,597
Pacific Northern Gas (N.E.) Ltd.			
Fort St. John Inc./Dawson Creek Division	16,496	34,146	4,657
Tumbler Ridge Division	1,160	1,790	923
Pacific Northern Gas Ltd.	21,745	49,880	7,616
Corix Multi-Utility Services Inc.			
Sun Rivers, Sonoma Pines	457	248	16
TOTAL INVESTOR-OWNED	954,532	1,766,486	232,158
CalGas Inc. - Kickinghorse	97	266	20
Big White Gas Utility Ltd.	201	797	38
Terasen Gas Inc. (Revelstoke)[5]	1,545	3,583	209
Terasen Gas (Whistler) Inc.[5]	2,411	10,496	742
Corix Multi-Utility Services Inc.			
CMUS - Panorama	192	910	41
Pacific Northern Gas Ltd.			
Granisle Grid	172	332	14
Port Alice Gas Inc.	263	416	16
Sun Peaks Utilities Co. Ltd.	815	1,908	83
Stargas Utilities Ltd.	215	325	33
Total Propane Grid Systems	5,911	19,033	1,196
TOTAL ALL GAS UTILITIES	**960,443**	**1,785,519**	**233,354**

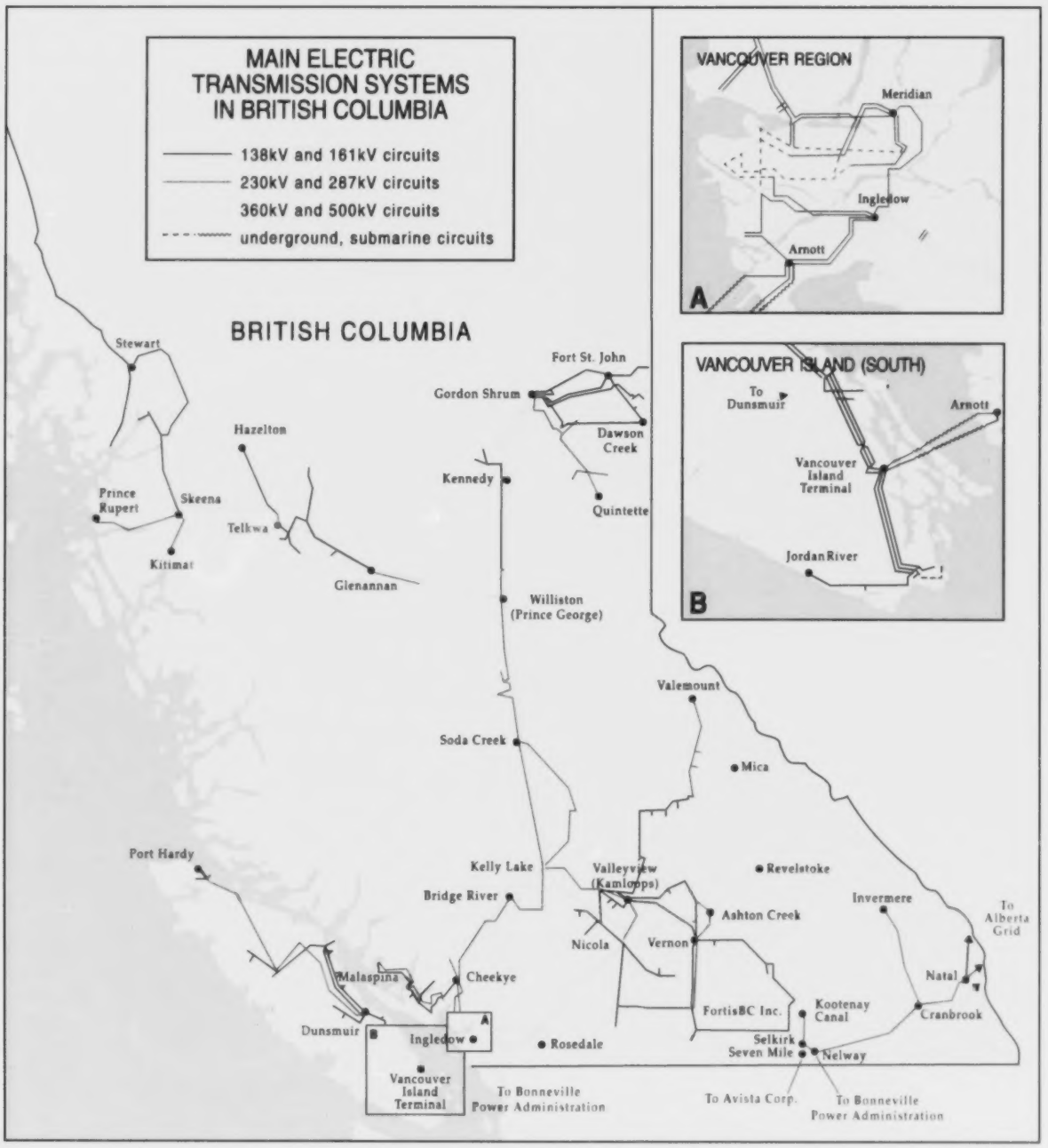
NOTES:

1. 1 gigajoule (GJ) is approximately equivalent to 0.910 mcf (mcf = one thousand cubic feet) or 0.0258 10^3m^3 of natural gas or 0.376 mcf of propane vapour in L.P. gas grid systems.
2. Figures reported are for the 2007 calendar year. Customers reported are as at December 31, 2007.
3. Sales of GJ shown include sales to end-use customers plus gas owned by customers and transported to their industrial operations by utilities.

Domestic Gas Sales – 2007 – Notes (continued)

4. Revenues reported for natural gas utilities include only transportation margins for large industrial customers who have purchased gas supplies directly from producers or aggregators.
5. On February 26, 2007 Fortis Inc. signed an agreement with Kinder Morgan Inc. to acquire all the shares of the Terasen Gas Utilities. On April 30, 2007 the Commission issued Order G-48-07 and its Reasons for Decision approving Fortis Inc.'s acquisition of the Terasen Gas Utilities.
6. Effective January 1, 2007, Terasen Squamish operations, billing and tariff were integrated with Terasen Gas Inc.

Main Electric Transmission and Power Generating Facilities



Gas Utilities in British Columbia
LEGEND
Terasen Gas Inc.
Terasen Gas (Vancouver Island) Inc.
Duke Energy Gas Transmission Canada
TransCanada Pipelines Limited
Pacific Northern Gas Ltd./Pacific Northern Gas (N.E.) Ltd.
Communities served by Terasen Gas (Vancouver Island) Inc.
Communities served by Terasen Gas Inc.
Communities served by Pacific Northern Gas Ltd./ Pacific Northern Gas (N.E.) Ltd.
Port Alice served by Port Alice Gas Inc.
Sun Peaks served by Sun Peaks Utilities Co., Ltd.
Big White served by Big White Gas Utility Ltd.
Silver Star served by Stargas Utilities Ltd.
Sun Rivers served by Terasen Multi-Utility Services Inc.
Whistler served by Terasen Gas (Whistler) Inc.
Kicking Horse Mountain Resort served by Cal-Gas Inc.
Canyon Ridge served by Cal-Gas Inc.
Panorama Mountain Resort served by Terasen Multi-Utility Services Inc.
Sonoma Pines served by Terasen Multi-Utility Services Inc.
NOTES
Squamish Gas Co. Ltd. changed its name to Terasen Gas (Squamish) Inc. on April 25, 2003 and is a Terasen Inc. subsidiary.
Duke Energy Gas Transmission Canada and TransCanada Pipelines Limited are regulated by the National Energy Board.
BRITISH COLUMBIA
Fort Nelson
Pink Mountain
Fort St. John
Hudson Hope
Chetwynd
Dawson Creek
Tumbler Ridge
Mackenzie
Granisle
Smithers
Terrace
Prince Rupert
Kitimat
Houston
Burns Lake
Fort St. James
Summit Lake
Saltchuk Valley
Vanderhoof
Endako
Fraser Lake
Endako Mines
Prince George
Shelley
Bear Lake
Hixon
Dunkley
Quesnel
Kersley
Williams Lake
150 Mile House
Lac La Hache
100 Mile House
Clinton
Cache Creek
Ashcroft
Port Alice
Campbell River
Courtenay
Comox
Powell River
Sechelt
Squamish
Whistler
Parksville
Nanaimo
Port Alberni
Ladysmith
Duncan
Victoria
Vancouver
Princeton
Hedley
Kingsvale
Highland Valley
Logan Lake
Merritt
Savona
Sun Peaks
Chase
Sun Rivers
Kamloops
Barriere
Armstrong
Enderby
Silver Star
Lumby
Coldstream
Vernon
Winfield
Big White
Kelowna
Peachland
Westbank
Brenda Mines
Naramata
Penticton
Okanagan Falls
Grand Forks
Christina Lake
Castlegar
Robson
Nelson
Salmo
Trail
Montrose
Fruitvale
Creston
Yahk
Cranbrook
Kimberley
Crestbrook P.I.
Tarrys
Sparwood
Fernie
Elkford
Byron Creek
Canyon Ridge
Revelstoke
Golden
Panorama
Kicking Horse Resort

Decisions, Reasons for Decision and Negotiated Settlements

The following summaries cover the period April 1, 2007 through March 31, 2008.

FORTIS INC.
Acquisition of the Issued and Outstanding Shares of Terasen Inc.
Reasons for Decision appended to Order No. G-49-07 dated April 30, 2007

On March 1, 2007, Fortis Inc. applied pursuant to Section 54 of the UCA for approval to acquire all of the issued and outstanding shares of Terasen Inc., which would cause Fortis Inc. to have indirect control of certain public utilities regulated by the Commission. The public utilities affected were Terasen Gas Inc., Terasen Gas (Vancouver Island) Inc., Terasen Gas (Whistler) Inc. and Terasen Energy Services Inc. By Order G-22-07, the Commission established a written public hearing process for the review of the Application.

Following consideration of the Application, Submissions and Reply Submission, the Commission determined that the public utilities and the users of the services of the public utilities would not be detrimentally affected and therefore approved the Application subject to the Conditions contained in its Reasons for Decision.

PACIFIC NORTHERN GAS LTD.
(PNG-West and Granisle)
2007 Revenue Requirements and Rates
Reasons for Decision appended to Order No. G-55-07 dated May 29, 2007

On October 26, 2006, PNG-West filed for approval of its 2007 Revenue Requirements Application ("the Application") to amend its rates for the Delivery Charge, Company Use Gas Cost (not applicable to Granisle) and Revenue Stabilization Adjustment Mechanism Rider (not applicable to Granisle) on an interim and permanent basis, effective January 1, 2007, pursuant to Sections 89 and 58 of the UCA. By Order G-2-07, the Commission established a written public hearing process for the review of the Application.

Following its consideration of the Application, the Revised Application, the evidence adduced in relation thereto, and the written Arguments, the Commission approved an adjusted 2007 revenue deficiency and the request to draw down a total of $900,000 from the deferred income tax balance for 2007.

PACIFIC NORTHERN GAS (N.E.) LTD.
(Fort St. John/Dawson Creek and Tumbler Ridge Divisions)
2007 Revenue Requirements and Rates
Reasons for Decision appended to Order No. G-56-07 dated May 29, 2007

On October 26, 2006, Pacific Northern Gas (N.E.) Ltd. ["PNG (N.E.)"] Fort St. John/Dawson Creek ("FSJ/DC") and Tumbler Ridge ("TR") Divisions filed for approval of its 2007 Revenue Requirements Application ("the Application"). PNG (N.E.) proposes to amend its rates on an interim and final basis, effective January 1, 2007, pursuant to Sections 89 and 58 of the UCA. By Order G-3-07, the Commission established a written regulatory process for the review of the Application.

Following its consideration of the Application, the Revised Application, the evidence adduced in relation thereto, and written Arguments, the Commission approved an adjusted 2007 revenue deficiency for the FSJ/DC Division and an adjusted revenue sufficiency for the TR Division.

SUN PEAKS UTILITIES CO., LTD.
2006/07 Revenue Requirements
Reasons for Decision appended to Order No. G-60-07 dated June 12, 2007

On September 26, 2006, Sun Peaks filed for approval of its 2006/07 Revenue Requirements Application to amend its rates on an interim and final basis, effective October 1, 2006. The Application proposed to increase the monthly basic charge by 20 percent and the delivery rates by $0.36/GJ for all customer classes. Sun Peaks incurred a loss of $8,786 in F2006 and forecasted a loss of $19,570 for F2007 if a rate increase was not approved. Order G-123-06 established a written public hearing process.

Following a review of the Application and the evidence adduced thereon, the Commission directed Sun Peaks to recalculate the 2006/07 rates and to provide a reconciliation of total revenues with the 2006/07 recalculated revenue requirement, in accordance with the Reasons for Decision and this Order.

BRITISH COLUMBIA TRANSMISSION CORPORATION
Allowance for Funds Used During Construction Accounting Treatment and
Proposed Disposition of the F2008 Forecast Revenue Sufficiency and F2008 Financial Information Filing
Reasons for Decision appended to Order No. G-64-07 dated June 12, 2007

On March 20, 2007, BCTC submitted a Financial Information Filing for the period April 1, 2007 to March 31, 2008 ("F2008 Financial Filing"). In the F2008 Financial Filing, BCTC stated that it would not seek to change existing rates in F2008 for the BCTC and Asset Management and Maintenance Revenue Requirements, subject to the approval of a change in accounting treatment from Interest During Construction to Allowance for Funds Used During Construction ("AFUDC").

On March 21, 2007, BCTC applied for approval of a methodology which recognizes an AFUDC Accounting Treatment and the Proposed Disposition of the F2008 Forecast Revenue Sufficiency, effective April 1, 2007 (the "Application"), pursuant to Section 49(a) of the UCA and Sections 3 and 6 of Special Direction No. 9.

By Order G-37-07, the Commission established a written public hearing process to review the Application and the F2008 Financial Filing.

Following a review of the Application and the evidence adduced in relation thereto, and written Argument, the Commission issued its Reasons for Decision approving the change in methodology for BCTC that recognizes AFUDC accounting treatment.

BRITISH COLUMBIA TRANSMISSION CORPORATION
Transmission System Capital Plan F2008 to F2017
Order No. G-69-07; Decision dated June 15, 2007

By letter dated December 21, 2006, BCTC filed its F2008 TSCP Application. The Application described projects within the period from F2008 to F2017; however, BCTC only requested approval for capital expenditures in F2008 and F2009. In late 2007, BCTC filed its F2009 capital plan for approval to additional projects identified for F2009 and approval to projects and programs beginning in F2010. By Order G-5-07 dated January 19, 2007, the Commission established a written public hearing process for review of the Application.

Following a review of the Application, evidence and the submissions filed during the proceeding, the Commission issued its Decision determining that the Application meets the requirements of Sections 45(6) and 45(6.1) of the UCA and approved the F2008 TSCP pursuant to Section 45(6.2)(a) of the UCA.

TERASEN GAS INC.
Certificate of Public Convenience and Necessity for the Distribution Mobile Solution Project
Reasons for Decision dated July 5, 2007 appended to Order No. C-5-07

By letter dated May 7, 2007, Terasen Gas applied for a CPCN, pursuant to Section 45 of the UCA, to implement a new Distribution Mobile Solution ("DMS") for an expected total capital expenditure of $5.98 million. TGI requested that the Commission review this Application in an expedited fashion such that the project work could commence at the beginning of July 2007 with target completion by approximately August 31, 2008. The Application was made in accordance with the Settlement Agreement for the 2004-2007 Multi-Year Performance Based Rate Plan approved by Commission Order G-51-03 and extended by Order G-33-07 to 2008-2009, which requires Terasen Gas to submit a CPCN for any capital project in excess of $5 million.

By Order G-54-07, the Commission established a written public hearing process for the review of the Application.

Following a review of the Application, evidence and the submissions filed, the Commission issued its Reasons for Decision granting a CPCN for the DMS project, effective July 2, 2007, subject to Terasen Gas' acceptance of certain conditions contained in this Order.

UNOCAL CANADA LIMITED
Exemption pursuant to Section 88(3) of the Utilities Commission Act for the Aitken Creek Storage Facility and an for the Expiry of the Interim Certificate of Public Convenience and Necessity
Reasons for Decision dated July 6, 2007 appended to Order No. C-6-07

In a submission dated October 24, 2006, Unocal applied to the Commission, pursuant to Section 88(3) of the UCA, for an order exempting it from all provisions of the UCA. By Order G-155-06 dated December 7, 2006, the Commission established a written hearing process and Regulatory Timetable to examine the application for an exemption.

By letter dated May 14, 2007, the Commission issued its Reasons for Decision in response to the application for an exemption, and requested advance approval of the Lieutenant Governor in Council to issue an exemption to Unocal in the form of the draft Order that accompanied the Reasons for Decision.

By letter dated June 8, 2007, Unocal requested clarification of the Commission's Reasons for Decision and draft Order, and also requested the interim CPCN for the Aitken Creek Storage Facility be permitted to expire effective the date that Unocal is exempted from Section 45 of the UCA.

The Commission considered the Application and the submissions and issued its Reasons for Decision denying the Application to permit the interim CPCN to expire, and pursuant to Sections 45 and 46 of the UCA granted a CPCN to Unocal for the Aitken Creek Storage Facility, as an amendment to and replacement for the interim CPCN granted by Order No G-107-06, effective July 6, 2007.

FortisBC Inc.
Certificate of Public Convenience and Necessity for the Black Mountain Substation Project
Decision dated July 9, 2007 and Order No. C-7-07

On December 19, 2006, FortisBC applied for a CPCN for the Black Mountain Substation Project required to serve the growing load in the Black Mountain area of east Kelowna, as well as to maintain regional reliability and reduce the risk to the bulk power supply in the Kelowna area. The Project consists of a new distribution substation, complete with a 138 kV ring bus, 138 kV/13 kV 32 MVA transformer and three distribution feeder circuits, one of which is new and will require approximately two kilometers of new right-of-way.

By Order G-18-07 dated February 22, 2007, the Commission established an oral public hearing process, a Regulatory Timetable and Hearing Issues list for the regulatory review of the Application.

The Commission has considered the Application and the evidence and submissions presented on the Application, and issued its Decision and Order C-7-07 granting a CPCN to FortisBC for the Black Mountain Substation Project as set out in the Application, as revised in the proceeding and described in the Decision.

British Columbia Hydro and Power Authority
Certificate of Public Convenience and Necessity for the Revelstoke Unit 5 Project
Decision dated July 12, 2007 and Order No. C-8-07

On April 13, 2007, BC Hydro applied pursuant to Sections 45 and 46 of the UCA for a CPCN for the installation of the Revelstoke Unit 5 Project. The Project is located at the Revelstoke Dam and Generating Station ("GS") located on the Columbia River, five kilometres ("km") upstream from the City of Revelstoke and 130 km downstream from the Mica Dam and Generating Station and includes the installation of a 500 MW fifth turbine/generator set in the existing empty turbine bay immediately east of Unit 4 at the Revelstoke GS, the extension of the penstock for Unit 5, a generator transformer and related upgrades to transmission equipment located in the existing powerhouse. The Project has a P50 estimated cost of $280 million and a target in-service date of October 2010.

By Order G-43-07, the Commission established a written public hearing process and Regulatory Timetable for the review of the Application.

The Commission considered the Application and the evidence and submissions presented on the Application and issued its Decision granting a CPCN to BC Hydro for the Revelstoke Unit 5 Project as set out in the Application, with a targeted in-service date of October 2010.

FORTISBC INC.
Rate Design on the Big White Supply Project
Reasons for Decision appended to Order No. G-87-07 dated August 9, 2007

On March 9, 2006, FortisBC applied for a CPCN to construct and extend a 34 km, 138 kV transmission line from the Joe Rich Substation to a new substation to be built at the Big White Village at a cost of $20.32 million, including approximately 23 km of new transmission line (the "Project"). Following an oral public hearing process the Commission, on September 14, 2006 by Order C-17-06 and Reasons for Decision, granted a CPCN to FortisBC for the construction of the Big White Supply Project subject to a condition related to a risk sharing mechanism.

On October 10, 2006 and October 12, 2006, Big White Ski Resort Ltd. and FortisBC, respectively, applied for a reconsideration of certain aspects of the Commission's Decision related to the CPCN for the Big White Supply Project. By Order G-154-06 and its Reasons for Decision, the Commission denied the Reconsideration Applications and clarified that the intent of the direction in the Reasons for Decision attached to Order C-17-06.

On March 6, 2007, FortisBC filed a Rate Design Application for the Project pursuant to Orders G-17-06 and G-154-06. A written process was established to consider the Application.

Following a review of the Application, Submissions and Reply Submission the Commission issued its Reasons for Decision approving the inclusion of the Project costs in the FortisBC rate base as proposed by FortisBC.

FORTISBC INC.
Certificate of Public Convenience and Necessity for the Ellison Substation Project
Reasons for Decision dated May 10, 2007 appended to Order No. C-4-07; Order No. G-75-07

On October 27, 2006, FortisBC applied for a CPCN for the Ellison Substation Project to reinforce the distribution system in the north Kelowna area. By Order G-140-06 dated November 9, 2006, the Commission established an oral public hearing for the review of the Application. The oral public hearing was held in Kelowna on April 2, 2007 and included an evening session to hear submissions.

Following a review of the Application, and evidence presented at the hearing, the Commission granted a CPCN to FortisBC to construct the Ellison Project – Option 1 subject to the following:

- A decision by the Commission Panel on the siting of the substation will be made after it reviews the assessment of the Airport site by the Applicant and the submissions of the Parties. FortisBC is directed to submit a written report by June 6, 2007.

- FortisBC is to collaborate with the City of Kelowna and affected Quail Ridge Residents' Association members and Quail Ridge residents, to determine, considering the current and/or future plans for the development of McKinley Road, the alignment for Ellison Feeder 4 with the least impact as it passes the northern section of the Quail Ridge development and to make available to the QRRA members and residents full details of an undergrounding option for this section of Feeder 4 and the arrangements by which these members and residents could access this option. FortisBC is directed to file a report on progress on the collaboration on and/or resolution of this matter by September 28, 2007. A decision by the Commission Panel on the alignment of Feeder 4 will be made after it reviews the report from the Applicant and the submissions of the Parties.

- FortisBC is to confirm in its report that the alignment of any Ellison Feeder 4 under consideration and/or proposed to the Commission is in compliance with the World Health Organization and ICNIRP EMF standards.

Following the issuance of the Commission's Decision, FortisBC submitted its report assessing the Airport site for Commission approval. Following a review of the submissions filed, the Commission determined that the Lochrem Road site be approved for the construction of the Ellison Substation and issued Order G-75-07.

TERASEN GAS INC.
Sale of Land at 3700 2nd Avenue, Burnaby, BC
Order No. G-116-07 dated September 21, 2007

On July 27, 2007, Terasen Gas filed an application pursuant to Section 52 of the UCA requesting approval to dispose of 7.67 acres of vacant land at 3700 2nd Avenue, Burnaby, B.C. ("Lochburn"). The Application stated that the land at Lochburn is part of what was purchased by Terasen Gas (formerly B.C. Gas Inc.) from BC Hydro and that the vacant land is no longer required, nor will be required in future, for the provision of natural gas distribution service. By Order G-86-07, the Commission established a written comment process for the review of the Application.

Following a review of the Application and supporting material, the Commission approved the disposition of the vacant land at Lochburn, consisting of 7.67 acres of the entire parcel of land.

FORTISBC LTD.
Customer Complaints regarding the Naramata Substation Project
Order No. G-124-07 and Decision dated October 12, 2007

The Naramata Substation Project to rebuild the Naramata substation at a different site (the "Project") was included in the FortisBC 2005 Capital Expenditure Plan that formed part of the 2005 Revenue Requirements, System Development Plan and Resource Plan Application. After the 2005 Capital Expenditure Plan was reviewed in an oral public hearing, the Commission, by Order G-52-05, approved all capital projects in the 2005 Capital Expenditure Plan except for four projects, for which FortisBC was directed to submit CPCN Applications. The Project was not one of these four projects.

On July 13, 2006, the Commission requested FortisBC to provide information on the Project in response to comments from a number of area residents opposing the substation site selected by FortisBC. On July 21, 2006, FortisBC responded to the Commission's request for a report on the status of the Project.

On April 12, 2007, the Commission Panel, by Order G-42-07, directed that any construction work on the Project be suspended immediately in an orderly and safe manner, pending further instructions from the Commission and established an oral public hearing into Project siting options and related costs and issues.

Following a review of the submissions made at the oral public hearing, the Commission issued its decision determining that the construction of the Naramata substation is to be located at the Fire Hall site and that construction work on the Project suspended by Commission Order G-42-07 may recommence.

CENTRAL HEAT DISTRIBUTION LIMITED
2007 Revenue Requirements
Negotiated Settlement Agreement appended to Order No. G-125-07 dated October 16, 2007

On August 23, 2007, CHDL filed pursuant to Sections 58 and 61 of the UCA, an application to increase its Steam Tariff Schedule of Charges by 10.51 percent effective October 1, 2007, above the 2006 permanent rates. By Order G-109-07, the Commission established a Negotiated Settlement Process for review of the Application.

On October 4, 2007, a Negotiated Settlement Agreement was reached between CHDL and Commission staff, which included an average permanent rate increase in the Steam Tariff Schedule of Charges of 7.288 percent to be effective October 1, 2007 to recover a 2007 revenue deficiency of $424,846.

Following a review of the Negotiated Settlement Agreement the Commission approved the following for CHDL:

- The Negotiated Settlement Agreement package and an average permanent rate increase in the Steam Tariff Schedule of Charges of 7.288 percent effective October 1, 2007 to recover a 2007 revenue deficiency of $424,846.
- The average permanent rate increases of 1.329 percent per year in the Steam Tariff Schedule of Charges for 2008 and 2009 for a rate increase of 8.617 percent effective January 1, 2008 and 9.946 percent effective January 1, 2009 above the 2006 permanent rates.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
2007 Rate Design – Phase I
Order No. G-130-07; Decision dated October 26, 2007

On March 15, 2007, BC Hydro filed, pursuant to the UCA and Order G-148-06, the 2007 Rate Design Application to update BC Hydro's rates and terms and conditions of service. The Application addressed rate rebalancing, rate restructuring, changes to the E-Plus rates, General Service rates, and amendments to its Terms and Conditions of Service, including the distribution extension policy. On May 8, 2007, the Commission established an oral public hearing process for the review of the Application by Order G-50-07.

Following a review of the evidence and arguments submitted for this proceeding, the Commission issued its Decision with respect to the Phase I issues.

UNOCAL CANADA LIMITED
Exemption from all Provisions of the UCA for the Aitken Creek Storage Facility
Order No. G-135-07 dated November 7, 2007

The Commission, by Letter No. L-47-06 dated August 25, 2006, advised Unocal Canada Limited ("Unocal") that it had concluded that Unocal, as owner and/or operator of the Aitken Creek Storage Facility, falls within the definition of a public utility under the UCA. The Storage Facility refers to the underground reservoir and contained natural gas, wells, on-site equipment and other components of the natural gas storage facility at Aitken Creek that Unocal owns or operates, as they may be modified or expanded from time to time. On September 22, 2006, Unocal applied to the British Columbia Court of Appeal for leave to appeal Letter No. L-47-06 with respect to its conclusion that Unocal falls within the definition of public utility. By Order G-128-06 dated October 27, 2006, the Commission accepted for filing on an interim basis, effective November 1, 2006, a Firm Natural Gas Storage Agreement between Unocal and Westcoast Energy Inc.

By a submission dated October 24, 2006, Unocal applied to the Commission, pursuant to Section 88(3) of the UCA, for an order exempting it from all provisions of the UCA. Section 88(3) of the UCA provides that the Commission may, on conditions it considers advisable, with the advance approval of the Lieutenant Governor in Council ("LGIC"), exempt a person, equipment or facilities from the application of all or any of the provisions of the UCA.

By Order G-155-06, the Commission established a written hearing process and Regulatory Timetable to examine the Application.

On May 14, 2007, the Commission issued its Reasons for Decision on the Application, and concluded that it would not be in the public interest to exempt Unocal from all provisions of the UCA, but that it would seek LGIC approval to exempt Unocal from certain provisions of the UCA.

On October 25, 2007, the Lieutenant Governor in Council issued Order in Council No. 688 granting advanced approval to the Commission to exempt Unocal from certain provisions of the UCA.

Following a review of the Application and the submissions, the Commission approved an exemption for Unocal from Part 3 of the UCA, except for Sections 24, 25, 38, 39, 41, 42, 43 and 51 of the UCA related to Unocal's gas storage operations, services and property at the Aitken Creek Storage Facility. The exemption from Part 3 of the

UCA does not include Sections 53 and 54 to the extent that an action of Unocal would result in a change of ownership or control of the Aitken Creek Storage Facility.

TERASEN GAS (VANCOUVER ISLAND) INC.
Long-Term Service Agreements with British Columbia Hydro and Power Authority
Reasons for Decision appended to Order No. G-139-07 dated November 15, 2007
Order No. G-149-07 – Final approval of the Amended Peaking and Wheeling Agreements

By letter dated September 28, 2007, TGVI applied for approval pursuant to Section 61 of the UCA for the suite of long-term service agreements comprised of the Transportation Service Agreement between TGVI and British Columbia Hydro and Power Authority, the Peaking Agreement (the "PA") between TGVI and BC Hydro, and the Capacity Assignment Agreement ("CAA") between TGVI, BC Hydro and Terasen Gas Inc., (collectively the "Agreements").

On October 11, 2007, the Commission issued Order G-123-07 establishing a written review process for the Application.

Order G-139-07 required a fully executed and acceptable amendment to the Wheeling Agreement dated July 3, 1989 between TGVI and TGI that reduces the amount of Coastal Transmission System ("CTS") wheeling capacity provided to TGVI, and the payments by TGVI, to amounts that correspond to the net amount of CTS wheeling capacity that TGVI requires in addition to the wheeling capacity it receives under the CAA

Following consideration of the Application, the interrogatory responses, the positions taken by the Applicant and Intervenors in the review of the Application, the Commission issued its Reasons for Decision approving the Agreements effective January 1, 2008, subject to the parties filing by December 15, 2007 for Commission approval, fully executed and acceptable amended copies of the PA and Wheeling Agreement.

TERASEN GAS (VANCOUVER ISLAND) INC./TERASEN GAS INC.
Certificate of Public Convenience and Necessity for the Mt. Hayes Liquefied Natural Gas Storage Project and a Storage and Delivery Services Agreement
Decision dated November 15, 2007 and Order No. C-9-07

Commission Decision and Order C-2-05 dated February 15, 2005 granted TGVI a CPCN for a liquefied natural gas ("LNG") storage facility at Mt. Hayes on Vancouver Island, subject to several conditions that included the execution of a firm long-term transportation service agreement with BC Hydro in respect of the Duke Point Power Project. As no firm long-term transportation agreement was executed and construction of the LNG project did not commence by December 31, 2005, the CPCN granted by Order C-2-05 terminated.

On June 5, 2007, TGVI filed another application for a CPCN to construct and operate a LNG Storage Facility at Mt. Hayes in the Cowichan Valley Regional District in the vicinity of Ladysmith (the "LNG Storage Facility"), and the facilities required for the connection of the LNG Storage Facility to TGVI's gas transmission system. TGVI also requested Commission approval for a 50 basis point premium in its return on equity for the rate base associated with the LNG Storage Facility, a deferred schedule for the depreciation of the LNG Storage Facility and the recovery of pre-construction development costs associated with the project, and approval to enter into a Storage and Delivery Agreement with its affiliate Terasen Gas. On June 5, 2007, Terasen Gas filed an application for approval to enter into a Storage and Delivery Agreement with TGVI.

By Order G-78-07, the Commission established a written public hearing process for the regulatory review of the TGVI Application and the Terasen Gas Application.

The Commission Panel has considered the evidence and submissions in the proceeding and issued its Decision granting a CPCN to TGVI for the Project as described in the TGVI Application, subject to the conditions contained in Order C-9-07.

FORTISBC INC.
2007 Annual Review, 2008 Revenue Requirements
Negotiated Settlement appended to Order No. G-147-07 dated December 4, 2007

Order G-58-06 approved for FortisBC a Performance Based Regulation Settlement for the years 2007, 2008 and potentially 2009 (the "PBR Settlement"). The PBR Settlement requires FortisBC to hold an Annual Review, Workshop and Negotiated Settlement Process ("NSP") each November with a goal of achieving firm rates by December 1st for the following year. The Annual Review compares the Company's actual performance for the recently completed year to the approved targets for the Performance Standards to determine whether the Company is entitled to an incentive payment.

By Order G-117-07 dated September 21, 2007, the Commission established a Regulatory Timetable for the 2007 Annual Review and a 2008 Revenue Requirements Workshop to be followed an NSP. On October 1, 2007, FortisBC filed its Preliminary 2008 Revenue Requirements, which sought a 4.0 percent general rate increase effective January 1, 2008.

As a result of the 2007 Annual Review on November 8, 2007 and 2008 Revenue Requirements Settlement discussions on November 9, 2007, a Settlement Agreement was proposed and agreed to by FortisBC and some Intervenors.

Following a review of the proposed Settlement Agreement, the Commission approved the Modified Settlement Agreement and the Terms of Settlement along with supporting schedules showing the effect of changes arising from the Negotiated Settlement.

TERASEN GAS INC./TERASEN GAS (VANCOUVER ISLAND) INC.
System Extension and Connection Policies Amendment
Order No. G-152-07 and Decision dated December 6, 2007

On July 31, 2007, pursuant to the UCA, Terasen Gas, TGVI and Terasen Whistler ("the Companies") jointly filed an application to amend the Terms and Conditions of each utility's Tariff with respect to charges for system extensions and customer attachment and connections for Terasen Gas and TGVI. The Application requested approval for changes to the respective Tariffs to be effective January 1, 2008. In its covering letter attached to the Application, the Companies advised the Commission that after further consideration and in light of the introduction of natural gas to the Whistler area during the latter half of 2008, TGW is of the view that it would be

reasonable to retain its current policy while it remains a propane system, and bring forth an application to review its policies after the conversion of its system to natural gas.

On August 11, 2007, the Commission issued Order G-90-07 establishing a written process to review the Companies' proposed amendments to their System Extension and Customer Connection Policies.

Following a review of the Application and evidence filed, the Commission issued its Decision approving the amendments to the Companies' System Extension and Customer Connection Policies. TGW's request to delay submission of its proposed System Extension and Customer Connection Policies until its conversion from propane to natural gas has been completed was also approved.

TERASEN GAS INC.
2008 Revenue Requirements and Delivery Rates
Reasons for Decision appended to Order No. G-153-07 dated December 10, 2007

Commission Order G-51-03 approved for Terasen Gas the Settlement Agreement for a 2004-2007 Multi-Year Performance-Based Rate Plan ("the Settlement"). Subsequently, Commission Order G-33-07 approved a two-year extension of the Settlement for 2008 and 2009.

By Order G-112-07 dated September 20, 2007, the Commission established the Regulatory Timetable for the 2007 Annual Review and on October 5, 2007, Terasen Gas filed the Annual Review Advance Materials. The 2007 Annual Review was held on November 13, 2007. The Terasen Gas 2007 Annual Review was held jointly with the TGVI 2007 Settlement Update Meeting.

The Commission reviewed the Revised Application and the Comments received and issued its Reasons for Decision approving the Revised Application.

TERASEN GAS (VANCOUVER ISLAND) INC.
2008 Rates, 2008 Cost of Service and Revenue Deficiency Account Balance as at December 31, 2006
Reasons for Decision appended to Order No. G-154-07 dated December 11, 2007

By Order G-113-07 dated September 20, 2007, the Commission established the Regulatory Timetable for the TGVI filing of its 2007 Settlement Update Material. On October 5, 2007, TGVI filed its 2007 Settlement Update filing and an application in accordance with the two-year extension of the 2006-2007 Revenue Requirement Negotiated Settlement Agreement terms for 2008 and 2009 ("Settlement") as approved by Commission Order G-34-07 (the "Application"). The Application, filed pursuant to Sections 60 and 23 of the UCA and Order in Council 1510, dated December 13, 2005, requested approval for 2008 Rates, 2008 Cost of Service, and the Revenue Deficiency Deferral Account balance as at December 31, 2006.

On November 2, 2007, TGVI filed its Revised Settlement Update Filing for six revisions to the October 5, 2007 Settlement Update Filing (the "Amended Application"). The six revisions included the Vancouver Island Gas Joint Venture rate adjustment, capital schedule corrections, subordinated debt correction, federal tax surcharge correction, work in progress change correction, and B.C. Capital Tax assessment update.

The TGVI 2007 Settlement Update Meeting was held on November 13, 2007. The TGVI 2007 Settlement Update Meeting was held jointly with the Terasen Gas 2007 Annual Review.

On November 30, 2007, TGVI revised its Amended Application to update the 2008 return on equity for TGVI to 9.32 percent in response to the Commission setting the benchmark ROE at 8.62 percent pursuant to Commission Letter No. L-93-07, to update 2007 plant balances to reflect the adjustment to the AFUDC as described in the Undertakings Submission, and to update the Wheeling Agreement costs paid to TGI pursuant to Order G-139-07, ("the Revised Application")

The Commission reviewed the Revised Application and the Comments received and issued its Reasons for Decision approving the Revised Application.

FORTISBC INC.
Certificate of Public Convenience and Necessity for the Ootischenia Substation Project
Reasons for Decision appended to Order No. C-10-07 dated December 18, 2007

On September 7, 2007, FortisBC applied for a CPCN for the Ootischenia Substation Project (the "Project"). The Project has an estimated capital cost of approximately $8.16 million and includes the construction of a new substation and the transmission and distribution egress necessary to connect the substation into the existing network. The Project is scheduled to commence in the fourth quarter of 2007 and to be completed by the end of 2008. FortisBC proposed the Project as the preferred solution for the Castlegar area, as it has the lowest cost, provides both capacity and reliability backup through the planning horizon and is best able to balance the needs of stakeholders.

By Order G-110-07, the Commission established an oral public hearing for the regulatory review of the Application to be held in Castlegar, B.C. As a result of FortisBC's comprehensive public consultation undertaken in regard to this Project, on October 30, 2007, the Commission issued Order G-131-07 amending the oral public hearing to a written proceeding.

Following a review of the Application, the related submissions and replies filed in this proceeding, the Commission issued its Reasons for Decision granting a CPCN to FortisBC for the Project as set out in the Application.

PACIFIC NORTHERN GAS LTD.
(PNG-West and Granisle)
2008 Revenue Requirements and Rates
Negotiated Settlement appended to Order No. G-165-07 dated December 19, 2007

On October 9, 2007, PNG-West and Granisle filed for approval of its 2008 Revenue Requirements Application to amend its rates on a permanent basis, effective January 1, 2008, pursuant to Section 58 of the UCA. PNG-West forecasted a revenue deficiency of approximately $583,000 for the 2008 test year primarily due to a reduction in forecast margin recovery from customers due to lower projected gas deliveries. The revenue reduction was partly offset by the forecast lower cost of service in 2008. PNG estimated the average delivery charge rate increase for residential customers and small commercial customers would be 2.2 percent.

By Order G-133-07 dated November 6, 2007 the Commission established a Negotiated Settlement Process for the Application. The Negotiated Settlement discussions were held in Vancouver on November 27 and 28, 2007 and a Negotiated Settlement Agreement was reached among the participants and circulated to all Registered Intervenors and the Commission on December 7, 2007.

The Commission reviewed the Negotiated Settlement Agreement for PNG-West's 2008 Revenue Requirements and issued Order G-165-07 approving the settlement.

UNOCAL CANADA LIMITED
Disposition of its Interest in the Aitken Creek Storage Facility to its Wholly-Owned Subsidiary

AITKEN CREEK GAS STORAGE ULC
Certificate of Public Convenience and Necessity Application and Exemption Order in respect of its Ownership and Operation of the Aitken Creek Storage Facility
Reasons for Decision appended to Order No. G-167-07 dated December 18, 2007

On May 14, 2007 the Commission issued its Reasons for Decision on the application for an exemption, and concluded that it would not be in the public interest to exempt Unocal Canada from all provisions of the UCA, but that it would seek Lieutenant Governor in Council approval to exempt Unocal Canada from certain provisions of the UCA.

In this Order, the term "Storage Facility" refers to the underground reservoir and contained natural gas, wells, on-site equipment and other components of the natural gas storage facility at Aitken Creek that Unocal Canada owns or operates, as they may be modified or expanded from time to time. On November 16, 2007, Unocal applied pursuant to Section 52 of the UCA for an Order approving the disposition of its interest in the Storage Facility to Aitken Creek Gas Storage ULC (the "Unocal Canada Disposition Application").

On November 16, 2007, Aitken Creek Gas Storage ULC applied pursuant to Sections 45 and 46 of the UCA for a CPCN for the operation of the Storage Facility (the "Aitken Creek ULC CPCN Application"), and pursuant to Section 88(3) of the UCA for an Order exempting it from certain provisions of the UCA for the same purposes and subject to the applicable terms and conditions set out in Order G-135-07 (the "Aitken Creek ULC Exemption Application").

By Order G-143-07, the Commission established a written process and regulatory timetable for the review of the Unocal Canada Disposition Application, the Aitken Creek ULC CPCN Application, and the Aitken Creek ULC Exemption Application (collectively as "the Applications")

Following a review of the Applications and submissions, the Commission issued its Reasons for Decision approving the Unocal Canada Disposition Application and the Aitken Creek ULC CPCN Application.

PACIFIC NORTHERN GAS (N.E.) LTD.
2008 Revenue Requirements and Rates for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions
Negotiated Settlement appended to Order No. G-168-07 dated December 19, 2007

On October 10, 2007, PNG (N.E.) Fort St. John/Dawson Creek ("FSJ/DC") and Tumbler Ridge ("TR") Divisions filed for approval of its 2008 Revenue Requirements Application to amend its rates on a permanent basis, effective January 1, 2008, pursuant to Section 58 of the UCA.

PNG (N.E.) FSJ/DC Division projected a revenue deficiency of approximately $750,000 for the 2008 test year primarily due to higher cost of service in 2008. PNG (N.E.) estimated the average delivery charge rate increases for residential customers in the Fort St. John and Dawson Creek service areas were 7.5 percent and 8.1 percent, respectively. The average delivery charge rate increases for small commercial customers for the two service areas were 6.9 percent and 9.2 percent, respectively.

PNG (N.E.) TR Division projected a revenue sufficiency of approximately $23,000 for the 2008 test year primarily due to lower cost of service in 2008. The Application proposed to decrease the gas delivery charge in rates for all customers of the PNG (N.E.) TR Division. PNG (N.E.) estimated the average delivery charge rate decreases for residential customers and small commercial customers are 2.1 percent and 2.0 percent, respectively, in the Tumbler Ridge service area.

By Order G-134-07 dated November 6, 2007, the Commission established a Negotiated Settlement Process for the Application review. The Negotiated Settlement discussions were held in Vancouver on November 27 and 28, 2007, and a Negotiated Settlement Agreement was reached among the participants and circulated to all Registered Intervenors and the Commission. No comments were received from the Intervenors who had not participated in the Negotiated Settlement discussions.

Following a review of the Negotiated Settlement Agreement for PNG (N.E.)'s 2008 Revenue Requirements, the Commission approved the December 7, 2007 Negotiated Settlement Agreement.

British Columbia Hydro and Power Authority
2007 Rate Design – Phase II (Zone II Rates) and Phase III (Special Contract Rates)
Order No. G-171-07 and Decision dated December 21, 2007

On March 15, 2007, BC Hydro filed, pursuant to the UCA and Commission Order G-148-06, its 2007 Rate Design Application to update BC Hydro's rates and terms and conditions of service. On July 17, 2007, the Commission Panel determined that the Application would be heard in three phases.

By letter dated July 11, 2007, BC Hydro filed a proposal that the F2006 Zone II Special Contract rate of $0.1769 per kWh effective June 1, 2006, continue for the contract year beginning June 1, 2007 on an interim (refundable) basis.

The oral public hearing for Phase II commenced on September 4, 2007 and the evidentiary phase of Phase II closed on September 7, 2007.

On September 19, 2007, the Commission Panel issued interim Commission Order G-111-07 regarding the Fully Allocated Cost of Service Study and Rate Schedules to ensure that the Rate Schedules resulting from the Commission Panel's Decision could be in place by April 1, 2008.

On October 1, 2007, pursuant to Commission Orders No. G-84-07 and No. G-97-07 and Sections 58 to 61 of the UCA, BC Hydro filed an application ("Phase III Application") to address all issues related to Zone II Special Contract rates, including Special Contracts for IPPs in Zone II.

In the Phase III Application, BC Hydro sought to (i) revise its Electric Tariff specifically to remove from the Terms and Conditions in the tariff the section that permits BC Hydro to place customers in Zone II whose demand is or is likely to be in excess of 45 kVA on a Special Contract; (ii) have the interim Special Contract rate of $0.1769 per kWh as approved by Commission Order G-84-07 made permanent for the later of the period from June 1, 2007 to November 1, 2007 or the effective date of the Order granting the relief sought; and (iii) amend RS 1901 to remove from the rate the requirement that the 2 percent rate rider be applicable to IPPs taking power under their Special Contracts.

On October 26, 2007, the Commission issued Order G-130-07 and its Decision on Phase I issues. In the Decision, the Commission also confirmed that the subject matter of interim Order G-111-07 was confirmed as final.

By Order G-142-07 dated November 27, 2007, the Commission established a written public hearing for the review of the Phase III Application.

Following a review of the evidence and arguments for both Phase II and Phase III of the Applications, the Commission approved BC Hydro's Applications.

The requests by the Heiltsuk Tribal Council/Shearwater Marine Limited that the Bella Bella NIA non-Special Contract customers qualify retroactively for Zone I rates, that Special Contract customers in the Bella Bella NIA qualify retroactively for Zone I rates, and that Special Contract customers who were charged the 2 percent rate rider under RS 1901 be provided with retroactive relief by way of a 2 percent credit on their bills for as many months as it was charged, were denied.

FORTISBC INC.
Certificate of Public Convenience and Necessity for the Distribution Substation Automation Program
Reasons for Decision appended to Order No. C-11-07 dated December 24, 2007

On August 28, 2007, FortisBC submitted an application pursuant to Sections 45 and 46 of the UCA, for a CPCN for the Distribution Substation Automation Program. The Program is estimated to cost $6.38 million and is required to enable improved substation data collection, remote equipment operation, improved distribution reliability, and enhanced power system planning and safety. The Program consists of installing automated control and data acquisition systems in 28 existing substations. All equipment design and operation is consistent with the equipment currently being installed in new substations in the FortisBC service territory. The Application was made in accordance with the Commission's Reasons for Decision accompanying Order G-52-05, dated May 31, 2005, which was issued following the Commission's consideration of FortisBC Inc.'s 2005 System Development Plan.

By Order G-108-07, the Commission established a written public hearing for the regulatory review of the Application.

The Commission has considered the Application and evidence filed and issued its Reasons for Decision granting a CPCN to FortisBC for the Distribution Substation Automation Program as set out in the Application.

INSURANCE CORPORATION OF BRITISH COLUMBIA

2007 Revenue Requirements for Universal Compulsory Automobile Insurance
A Filing of Information Relating to Matters Referenced in the July 13, 2006 Decision
Rate Design for Universal Compulsory Automobile Insurance
Order No. G-3-08 and Decision dated January 9, 2008

On March 16, 2007, ICBC submitted an application for approval of the 2007 Revenue Requirements for Universal Compulsory Automobile Insurance ("Basic Insurance") including a filing of Information relating to matters referenced in the Commission's Decision of July 13, 2006 (the "Revenue Requirements Application" or the "RRA").

ICBC requested approval of a 3.3 percent rate increase on a permanent basis for all new or renewal policies with an effective date on and after May 1, 2007 that (i) have premiums determined through the use of the Schedule of Basic Insurance Premiums as filed with the Commission, excluding rate class 800 and rate classes 900 – 906 and excluding policies relating to vehicles located on isolated islands; or (ii) have premiums determined under a Fleet Reporting Policy (together the "Plate Owner Basic and Fleet Reporting Policies").

ICBC also applied for a rate increase of 3.3 percent on an interim basis for all new and renewal Plate Owner Basic and Fleet Reporting Policies with an effective date on and after May 1, 2007. By Order G-31-07, the Commission approved on an interim basis, the rate increase of 3.3 percent for all new and renewal policies with an effective date on or after May 1, 2007 for Plate Owner Basic and Fleet Reporting Policies. The interim increase is subject to refund with interest.

On March 29, 2007, ICBC submitted its first application to the Commission respecting rate design for Basic Insurance (the "Rate Design Application" or the "RDA").

Following a Workshop and Pre-hearing Conference on the Applications, the Commission established that the RRA and the RDA would be reviewed in a combined regulatory process but that each Application would have its own separate record of evidence by Order G-48-07. The RRA was examined in a written hearing process for the non-actuarial matters and actuarial matters from the RRA were examined in an oral public hearing.

The Commission Panel reviewed the Revenue Requirements Application and evidence filed and issued its Decision approving on a permanent basis, an increase in Basic Insurance rates of 3.3 percent for all new and renewal policies with an effective date on or after May 1, 2007 that (i) have premiums determined through the use of the Schedule of Basic Insurance Premiums as filed with the Commission, excluding rate class 800 and rate

classes 900 – 906 and excluding policies relating to vehicles located on isolated islands; or (ii) have premiums determined under a Fleet Reporting Policy. Also, the increase in Basic Insurance rates of 3.3 percent to be effective the first day of the first month that is at least 60 days following the date of this Decision, for all new and renewal policies other than the Plate Owner Basic and Fleet Reporting Policies.

INSURANCE CORPORATION OF BRITISH COLUMBIA
Rate Design for Universal Compulsory Automobile Insurance
Order No. G-4-08 and Decision dated January 9, 2008

On March 29, 2007, ICBC submitted to the Commission an Application respecting Rate Design for Basic Insurance (the "Rate Design Application" or the "RDA"). The RDA presents a multi-year plan that sets out ICBC's vision for the future Basic insurance rate structure; proposes replacement of the driver penalty point premium ("DPP") with a Driver Risk Premium ("DRP") program; seeks implementation of a new rating variable commencing May 1, 2008, that will require that Other Operator information be provided and will include an amendment to Basic insurance rates to allow an additional premium of $25 to be charged as detailed in the RDA; requests Commission approval to implement actuarially indicated adjustments to the base rates of customer groups without further order of the Commission, with the implementation of adjustments commencing May 1, 2008, with certain conditions as detailed in the RDA; and seeks Commission approval, effective June 1, 2007 of the Basic Insurance Tariff ("Tariff") in Appendix 18B of the RDA.

Following a Workshop and the Pre-hearing Conference on the Applications, the Commission established that the RRA and the RDA would be reviewed in a combined regulatory process but that each Application would have its own separate record of evidence by Order G-48-07. The RDA was examined by way of one round of Intervenor Information Requests to ICBC and an oral public hearing.

On April 30, 2007, ICBC filed an Errata with a revised version of the Tariff incorporating certain minor changes. On May 7, 2007, ICBC wrote to the Commission, calling attention to a change in the weight limitations for Rate Class 017. Following a review of Intervenor comments and consideration of the issues the Commission Panel, on May 30, 2007, issued Order G-57-07, which approved the Tariff effective June 1, 2007, including the subsequent Errata, except for the change applied for separately to amend the weight class limitations on Rate Class 017.

The Commission Panel reviewed and considered all the evidence on the record for the RDA proceeding and issued its Decision making the following determinations:

- The Commission Panel considers that the Plan is consistent with specific government direction and accepts the Plan as presented by ICBC in the Application, subject to specific Plan component implementation details and related decisions of the Commission Panel dealt with in the Decision.
- The Other Operator premium program is approved as filed, and shall be implemented in two phases as described in the Application as Phase One and Phase Two.
- The proposal to implement the actuarially indicated adjustments to the base rates of customer groups, including the proposal for symmetrical application of the adjustments is approved, subject to the restrictions stated in the Decision
- The change to Rate Class 017, as proposed by ICBC in its letter to the Commission of May 7, 2007, is approved.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
2007 Electricity Purchase Agreement with Alcan Inc.
as an Energy Supply Contract Pursuant to Section 71
Order No. E-3-08 and Decision dated January 29, 2008

On September 5, 2007, BC Hydro filed, pursuant to Section 71 of the UCA the 2007 Electricity Purchase Agreement between Alcan Inc. ("Alcan") and BC Hydro dated August 13, 2007, and by a letter dated October 24, 2007, Alcan and BC Hydro amended the agreement (as amended, the "2007 EPA"). Under the 2007 EPA, Alcan will provide energy, capacity, shaping, scheduling and coordination services to BC Hydro. The term of the 2007 EPA is from October 1, 2007 to December 31, 2034. If the Commission does not accept the contract for filing by January 31, 2008, the parties' obligations to each other under the 2007 EPA will cease as of March 31, 2008. BC Hydro also filed the 2007 EPA pursuant to Section 61(1) of the UCA insofar as it provides for BC Hydro to deliver energy to Alcan as part of coordination services arrangements.

By Order G-120-07, the Commission established an oral hearing for the review of the 2007 EPA. On November 27, 2007, the Commission Panel heard Argument on whether or not the 2007 EPA impacts water flows on the Nechako River, and by Letter No. L-95-07 dated November 29, 2007, issued its determination on the matter. Final Argument concluded with BC Hydro and Alcan making oral Reply Argument on December 18, 2007.

The Commission Panel considered the application and evidence filed during the proceeding and issued its Decision accepting the 2007 EPA as an energy supply contract pursuant to Section 71 of the UCA and as a rate pursuant to Section 61(1) of the UCA with respect to the delivery of energy to Alcan as part of coordination services arrangements.

TRANS MOUNTAIN (JET FUEL) INC.
2008 Tolls and Accelerated Depreciation
Reasons for Decision appended to Order No. P-3-08 dated February 13, 2008

On June 5, 2007, Trans Mountain (Jet Fuel) Inc. ("TMJ", the "Company") applied pursuant to Section 44 of the Pipeline Act (the "Act") for an Order approving the adjustment of the Company's tolls for the transportation of turbine (jet) fuel to Vancouver International Airport ("YVR") and to the Burnaby Terminal of the Company's parent, Kinder Morgan Canada Holdings ULC ("KMC"). The Company seeks to increase its tolls effective January 1, 2008 to, among other items, permit TMJ to recover depreciation of the jet fuel system and related facilities (the "Jet Fuel System") and abandonment costs over the proposed five-year economic life of the assets (the "Application"). The jet fuel transported to YVR by TMJ is purchased by Vancouver Airport Fuel Facilities Corporation ("VAFFC"), which is owned by a consortium of airlines flying out of YVR

Following a Pre-hearing Conference held on June 20, 2007, the Commission temporarily suspended the review of the Application and directed TMJ, Chevron, and VAFFC (the "Parties") to meet by July 10, 2007 to have a comprehensive discussion on the issues and plans for the supply of jet fuel to YVR. The Parties were also directed to make submissions on the jurisdiction of the Commission to review a potential pipeline abandonment application by TMJ pursuant to Section 41 of the UCA or under Part 7 of the Act.

On October 12, 2007, TMJ submitted that a written hearing was appropriate. Chevron and VAFFC submissions dated October 12, 2007 indicated that they would support a written process in the event that TMJ did not file rebuttal evidence. In a letter dated November 16, 2007, TMJ informed the Commission that the Company would not be filing rebuttal evidence. By Order P-7-07, the Commission amended the Regulatory Timetable for the review of the Application to provide for a written hearing and established the current rates as interim effective January 1, 2008.

The Commission reviewed the Application, Submissions, and Reply Submission received and made the following determinations:

1. Trans Mountain (Jet Fuel) Inc. is a common carrier for the purposes of Part 7 of the Act.

2. Pursuant to Section 44 of the Act the Commission denied the request to recover depreciation of the Jet Fuel System over the proposed five years.

3. Pursuant to Section 44 of the Act the Commission denied the request to recover abandonment costs over the proposed five years.

4. Pursuant to Section 44 of the Act the Commission approved the establishment of a non-rate base deferral account for Rate Case costs to be amortized over five years. TMJ is to submit the cost to be included in the Rate Case deferral account to the Commission for review and approval.

Following the issuance of its decision, TMJ submitted its 2008 Tariff Filing in accordance with Order P-3-08 and Reasons for Decision. Upon review of the filing, the Commission issued Order P-5-08 accepting the toll recalculation, reduced the total hearing costs that were allowed for recovery in 2008 tolls to $147,689.81, and ruled that the income tax rates used in the 2008 toll calculation are to include the announced one percent federal and one percent provincial income tax reductions that take effective on January 1, 2008 and July 1, 2008.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Reconsideration of Commission Order No. G-10-08 regarding the Distribution Extension Allowances
Reasons for Decision appended to Order No. G-20-08 dated February 22, 2008

By Order G-10-08 dated January 21, 2008, the Commission determined that BC Hydro, among other things, had not fully complied with the requirements of the Commission's October 26, 2007 Decision on Phase I of BC Hydro's 2007 Rate Design Application ("October 26, 2007 Decision") to calculate the present value of the revenue requirement used in the system extension test, and ordered BC Hydro to comply with the requirements of the October 26, 2007 Decision.

On January 30, 2008, BC Hydro made its filings in compliance with Order G-10-08 and, among other things, provided information to the Commission on the total distribution revenue requirement calculated in accordance with Orders No. G-111-07 and G-10-08. BC Hydro submitted that the direction in Order G-10-08 had gone further than what was proposed by the Terasen Utilities during the Phase I proceedings by requiring BC Hydro's distribution extension allowances ("Allowances") to be calculated on the basis of the component of the distribution revenue requirement that is both capital- and demand-related. BC Hydro stated that if the Commission intended that the Allowances be based on only 65 percent of the capital-related distribution costs, then BC Hydro would request that its January 30, 2008 letter be accepted as a request for reconsideration of the method of calculating the Allowances ("Reconsideration Application").

By Order G-18-08, the Commission Panel accepted the Reconsideration Application to proceed as a single phase process and set out the timetable and hearing process whereby BC Hydro and Intervenors were to make written submissions on the merits of the reconsideration request. The Commission Panel also invited submissions from BC Hydro and Intervenors stating their views on the approach to estimating customer allowances toward new distribution extensions and specifically their views with respect to time period and inclusion of Operating and Other Expenses for calculating the customer allowances.

Following a review of the Reconsideration Application and submissions received, the Commission Panel issued its Reasons for Decision approving the following Allowances:

Residential	1,475	$/customer
General Service < 35 kW	200	$/kW
General Service > 35 kW	200	$/kW
Irrigation	150	$/kW
Street Lights	150	$/fixture

BC Hydro is to address the following items in its next rate design application:

- the selection and definition of a guiding principle for the determination of Allowances;
- how the Allowances should be calculated;
- the period to be covered by the analysis; and
- the suitable discount rate to be used.

TERASEN GAS INC. - FORT NELSON SERVICE AREA
2008 Revenue Requirements
Order No. G-27-08 dated February 28, 2008

On November 30, 2007, Terasen Fort Nelson filed a summary application for approval of its 2008 Revenue Requirements on a permanent and interim basis, pursuant to Section 89 of the UCA, effective January 1, 2008. The Application sought approval, on a permanent basis, effective January 1, 2008, to increase the Rate Stabilization Adjustment Mechanism ("RSAM") rate rider from $0.073/GJ by $0.042/GJ for a total rate rider of $0.115/GJ. The Application also sought a revenue requirement increase of $371,000 for the 2008 test year, effective January 1, 2008, resulting in an average 5.9 percent rate increase for all sales rate classes or a 32.9 percent increase on a delivery margin basis for all customers.

On December 13, 2007, the Commission issued Order G-158-07, approving the requested permanent RSAM rider increase from $0.073/GJ to $0.114/GJ effective January 1, 2008. The Order also approved an interim refundable average rate increase of 5.8 percent for all sales rate classes or a 32.7 percent increase on delivery margin for all customers effective February 1, 2008.

On December 21, 2007, Terasen Fort Nelson filed its detailed 2008 revenue requirements application which contained updated information on property taxes, capital additions and income taxes and which reduced the 2008 revenue deficiency to $348,000.

On February 8, 2008, the Commission issued Order G-19-08 that determined the review of the Revised Application would occur through a written hearing process.

Following a review of the Revised Application and the evidence filed in the proceeding the Commission approved Terasen Fort Nelson's Revised Application except as adjusted as follows:

- Shared services received by Terasen Fort Nelson from Terasen Gas Inc. for 2008 are to be allocated to the Company on the basis of number of customers. The cost of shared services that Terasen Gas Inc. is unable to recover from Terasen Fort Nelson as a result of this change in the basis of allocation are to be treated as an exogenous factor under the Terasen Gas Inc. 2004-2007 Multi-Year Performance Based Rate Plan Settlement Agreement and the 2008-2009 extension.

- The requested RSAM adjustments are approved as filed in the Revised Application, subject to a recalculation of Rate 25 volumes and margin. Terasen Fort Nelson's 2008 revenue deficiency as adjusted by Directive 2 and the updated forecast of Rate 25 volumes due to the February 25, 2008 Tackama plywood plant announcement is recoverable from customers effective February 1, 2008. Terasen Fort Nelson is to recalculate the 2008 revenue deficiency and submit rate change calculations that will take effect on April 1, 2008 for residential and commercial customers and February 1, 2008 for Rate 25 customers.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Report and Application regarding 2007 Rate Design Application Phase 1 Decision Directives
Reasons for Decision appended to Order No. G-32-08 dated March 4, 2008

On October 26, 2007, the Commission issued its Decision on the 2007 RDA Phase 1 (the "Decision") and concurrently issued Commission Order G-130-07. BC Hydro's application to amend the E-Plus rates was denied with the exception of BC Hydro's application to amend the E-Plus rates to restrict transfer of service, which was found to be in the public interest and was approved. Also, in Section 6.1 of the Decision, the Commission considered Special Condition 4 of Rate Schedule 1105 and in Section 6.2 the Commission noted the declining block rate structures of Rate Schedules 1205, 1206 and 1207 and the "Closed" Rate Schedules 1277 and 1278 that were not addressed by the 2007 RDA.

Directives 26, 27 and 28 of the Decision instructed BC Hydro to report to the Commission on the following: (i) E-Plus Residential Rate Schedule 1105 Special Condition 4; (ii) the declining block rate structure of the E-Plus General Service Rate Schedules 1205, 1206 and 1207; and (iii) Closed General Service Rate Schedules 1277 and 1278, respectively.

By letter dated January 24, 2008, BC Hydro provided the Commission with a report in compliance of Directives 26, 27 and 28 and also applied for approval to amend Rate Schedules 1105, 1205, 1206 and 1207, to cancel Rate Schedule 1277, and to review Rate Schedule 1278 as part of its development of the Large General Service rate structure.

On January 28, 2008, the Commission issued Order G-16-08 establishing a written review process to consider the Application.

Following consideration of the Application and the submissions received, the Commission issued its Reasons for Decision approving the revision to Rate Schedule 1105 as filed, and the proposals with respect to Rate Schedules 1277 and 1278. BC Hydro's proposed revision to Special Condition 4 of Rate Schedules 1205, 1206 and 1207 was denied.

British Columbia Hydro and Power Authority
Reconsideration of Orders No. G-111-07, G-130-07, G-10-08 and
Certain Directions in the 2007 Rate Design Phase 1 Decision
Order No. G-34-08 dated March 7, 2008

Following the release of its October 26, 2007 Decision on the 2007 Rate Design Phase 1 proceeding, on February 20, 2008, BC Hydro applied to the Commission for orders temporarily suspending the specific orders and directions that BC Hydro identified in Orders No. G-111-07, G-130-07 and G-10-08 that collectively require BC Hydro's rates to increase or decrease to achieve the revenue-to-cost ratios prescribed by the Commission pending the sooner of the end of the Spring 2008 session of the Legislature, or the coming into effect of the legislation referred to in Appendix B to the Reconsideration Application.

Appendix B to the Reconsideration Application is a letter dated February 15, 2008 from the Minister of Energy, Mines and Petroleum Resources, to the Chair of BC Hydro's Board of Directors (the "Minister's Letter"). The Minister's Letter states in part as follows:

> "The Government intends to introduce legislation in the Spring 2008 sitting of the Legislature that would ensure that the rate rebalancing elements of the BCUC's Orders will not be implemented. In particular, the new legislation would address the elements of the Decision and Orders in which the BCUC directed BC Hydro to implement rate changes over three years, to move the revenue to cost ratios of the customer classes to one-to-one and directed BC Hydro to maintain revenue to cost ratios within a range of 0.95 to 1.05. The legislation would also define rules for the future treatment of rate rebalancing. Government's intention is to preserve the revenue to cost ratios that were reflected in rates in place immediately before BC Hydro filed its 2007 Rate Design Application in March 2007"

The Minister's Letter further states that the contemplated legislation is expected to apply retroactively to ensure that BC Hydro customers will not experience any net changes in their bills due to rate rebalancing this year, regardless of when legislation may be passed.

On February 22, 2008, the Commission issued Letter No. L-5-08, which concluded that the Reconsideration Application should proceed directly to Phase 2 and established the regulatory process and timetable for the Reconsideration Application.

Following a review of the Reconsideration Application, the Intervenors' submissions and BC Hydro's reply submission, and given the changed circumstances resulting from the Minister's Letter, the Commission granted the relief requested by BC Hydro.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Orders Varying the Pricing of Rate Schedules 1823, 1825, 1880 and 1890
Reasons for Decision appended to Order No. G-41-08 dated March 14, 2008

On February, 22, 2008, BC Hydro applied for interim and final orders regarding the pricing of certain rate schedules applicable to its transmission service customers (the "TSR Re-pricing Application"), to reflect the cost of new supply as indicated by the results of its F2006 Call for Tender process.

The rate schedules ("RS") that are the subject of the TSR Re-pricing Application are RS 1823 (Stepped Rate); RS 1825 (Time of Use or "TOU" Rate); RS 1880 (Standby and Maintenance Supply Rate), and RS 1890 (Energy Imbalance Rate) and have rates that are either set on the basis that they ought to reflect BC Hydro's cost of new supply (Tier 2 Rates), or are calculated residually in accordance with the pricing mechanism of the respective rate schedule (Tier 1 Rates).

On March 10, 2008, the Commission received a submission from the Joint Industry Electricity Steering Committee supporting the Tier 2 rate change but opposing interim approval of BC Hydro's proposed Tier 1 rate. BC Hydro filed its Reply Submission on March 11, 2008.

Following consideration of BC Hydro's TSR Re-pricing Application, and the submissions of parties made in regard to it, the Commission granted the relief requested and ordered as follows:

- The Tier 2 Rates shall be set on the basis of a cost of new supply of 7.36 cents/kWh, as applied for, on an interim and refundable basis, effective April 1, 2008.
- The Tier 1 Rates shall be set in accordance with Commission Order G-34-08 dated March 7, 2008 regarding the Rate Rebalancing Reconsideration Application and Order G-40-08 dated March 14, 2008 granting interim, refundable relief with respect to the F09/F10 RRA, effective April 1, 2008.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
2008 Standing Offer Program
Negotiated Settlement Agreement appended to Order No. G-43-08 dated March 19, 2008

On December 14, 2007, BC Hydro filed an application for the Standing Offer Program pursuant to Section 45(6.1)(b) of the UCA. The Application was made in accordance with Policy Action No. 11 of the 2007 Energy Plan, which directed BC Hydro to establish a standing offer for clean electricity projects of up to 10 megawatts. The Application sought approval of $514,000 to conduct the implementation phase of the standing offer program that included administration and program review for the first two years of service.

The Commission issued Order G-169-07 dated December 19, 2007, establishing a negotiated settlement process for review of the Application. The NSP took place on February 13 through 15, 2008 and a settlement agreement was proposed and agreed to by BC Hydro and the parties at the NSP discussions. On March 7, 2008, the settlement agreement and the Letters of Comment/Letters of Support where released to the Commission and all other Intervenors registered with the Commission for this proceeding.

Upon review of the proposed settlement agreement, the Commission approved the Settlement Agreement issued on March 7, 2008.

Exemptions

There are two types of exemptions from the provisions of the Utilities Commission Act: Section 22 Ministerial exemptions and Section 88 Commission exemptions.

Section 22 – Ministerial Exemptions

Ministerial Order M-22-0205 (M202, dated June 6, 2002) exempts persons who are not otherwise a public utility, and their equipment facilities, plants, projects or systems, from the provisions of Part 3 of the Utilities Commission Act (except Section 22) with respect to the production and sale of electricity to BC Hydro or Powerex.

Following this date Independent Power Producers were not required to seek Commission exemptions from public utility status so long as the power produced from the project was sold to BC Hydro or Powerex.

Section 22 also enables the Minister to refer an exemption application to the Commission for review, or delegate the decision to the Commission.

Section 88 - Commission Exemptions

Commission exemptions may exempt a utility from any provision of the Act except for Part 2 and matters subject to Sections 22 and 71. Cabinet pre-approval is required. This section is often used to exempt upstream natural gas plants, pipelines, and related facilities from public utility status.

The Commission has developed a specific practice to issue Section 88 exemptions. First, the utility applies to the Commission for an exemption from regulation with respect to a particular activity, project, or agreement. If the Commission agrees with the application in principle and decides that an exemption will not jeopardize the public interest, it requests approval from Cabinet. By Order of the Lieutenant Governor in Council, Cabinet formally approves the exemption. Finally, the Commission issues its own order granting an exemption under Section 88(3).

The following Commission exemptions from regulation were granted under Section 88(3) of the Act in 2007/08.

CANADIAN HYDRO DEVELOPERS, INC.
Order No. G-47-07

Approved an exemption for Canadian Hydro from Section 71 and Part 3 of the Act (except Section 22 of the Act) for the sales of electrical power from the Upper Mamquam Hydro facility, and an exemption for Coastal Rivers from Section 71 with respect to such sales for the purpose of supplying the intake works of the Lower Mamquam Hydro facility.

SPECTRA ENERGY MIDSTREAM CORPORATION
Order No. G-107-07/Order No. G-26-08

The exemption approvals given under Orders No. G-101-05, G-90-97, G-91-97 and G-76-98 are continued and reissued in the name of Spectra Energy Midstream Corporation with respect to the following transportation and processing facilities: Peggo, Midwinter and Tooga; Sunrise; Jedney I; Jedney II, Boundary Lake; and Highway.

On February 21, 2008 the Commission approved an amendment to Appendix 1 to include the West Doe processing and pipeline facilities.

UNOCAL CANADA LIMITED
Order No. G-135-07

Approved an exemption for Unocal from Part 3 of the Act, except for sections 24, 25, 38, 39, 41, 42, 43 and 51 of the Act related to Unocal's gas storage operations, services and property at the Aitken Creek Storage Facility. The exemption from Part 3 of the Act does not include sections 53 and 54 to the extent that an action of Unocal would result in a change of ownership or control of the Aitken Creek Storage Facility.

SPECTRA ENERGY MIDSTREAM
Order No. G-138-07/Order No. G-25-08

The exemption approvals given under Order G-30-06 are continued and reissued in the name of Spectra Energy Midstream with respect to the transportation and processing facilities in the Sunrise area.

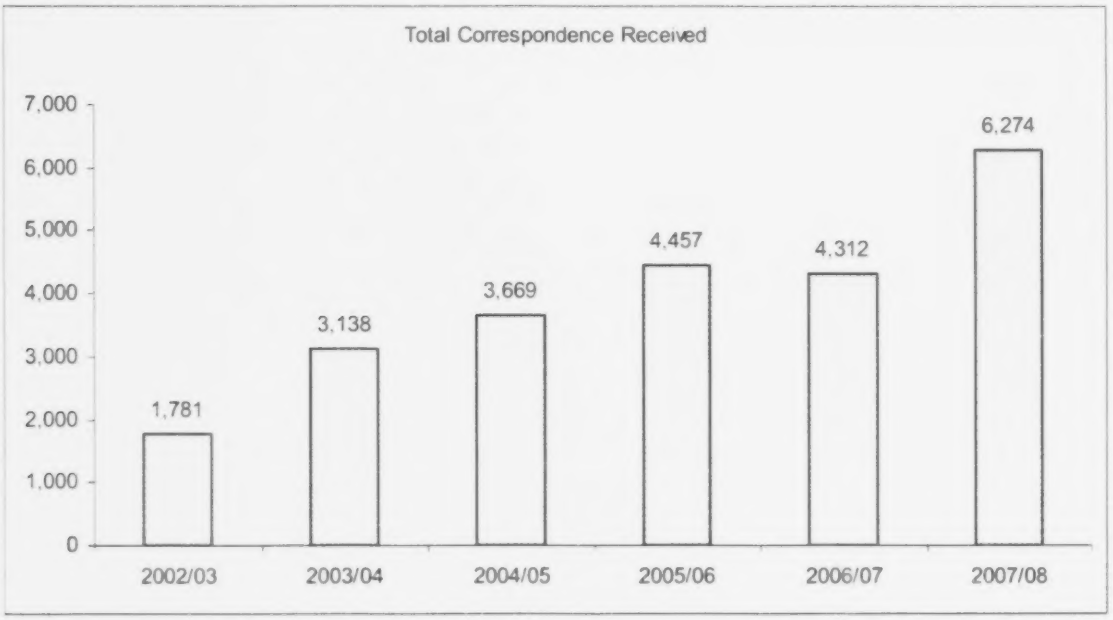
On February 21, 2008 the Commission approved an amendment to Appendix 1 to include the West Doe processing and pipeline facilities.

ALTAGAS LTD.
Order No. G-148-07

Approved an exemption from Part 3 of the Act of the transportation and processing facilities in the Blair Creek area of northeastern British Columbia.

Performance Indicators

Over the last six fiscal years the Commission has seen a significant increase in the amount of correspondence received and processed by Commission staff. Correspondence received by the Commission consists of customer complaints, utility applications, hearing documents, requests for information/assistance (not related to a proceeding), and utility reports. Not included in the following graph are customer complaints received by telephone and e-mail or telephone requests received by the Information Services Group requesting Commission documents. These requests are processed immediately upon receipt and are not entered into the document tracking system. The increase in correspondence can be attributed to complaints received regarding the residential natural gas marketers' door-to-door campaign, which commenced in May 2007.



Proceeding Days Summary (Fiscal 2007/08)

Applicant	Application	Procedural/ Pre-hearing Conference	Workshop	NSP/ ADR	Oral Public Hearings	Total Days
FortisBC	Ellison Substation Project – CPCN	.5	.5		1	2
FortisBC	Black Mountain Substation Project – CPCN	1			1	2
BCTC	Transmission System Capital Plan F2008 to F2017				Written Hearing	
Fortis Inc.	Acquisition of the Issued and Outstanding Shares of Terasen Inc.	1			Written Hearing	1
ICBC	2007 Revenue Requirements	1	1		4	6
ICBC	2007 Rate Design	1	1		4	6
FortisBC	Big White Supply Project Rate Design	1			Written Hearing	1
BC Hydro	2007 Rate Design – Phase 1	1			9	10
BC Hydro	2007 Rate Design – Phases 2				3	3
BCTC	Allowance for Funds Used During Construction Accounting Treatment and Disposition of the F2008 Forecast Revenue Sufficiency and F2008 Information Filing				Written Hearing	
BC Hydro	Revelstoke Unit 5 – CPCN				Written Hearing	
FortisBC	Customer Complaints regarding the Naramata Substation Project				1	1
Terasen Gas	Distribution Mobile Solution Project – CPCN				Written Hearing	

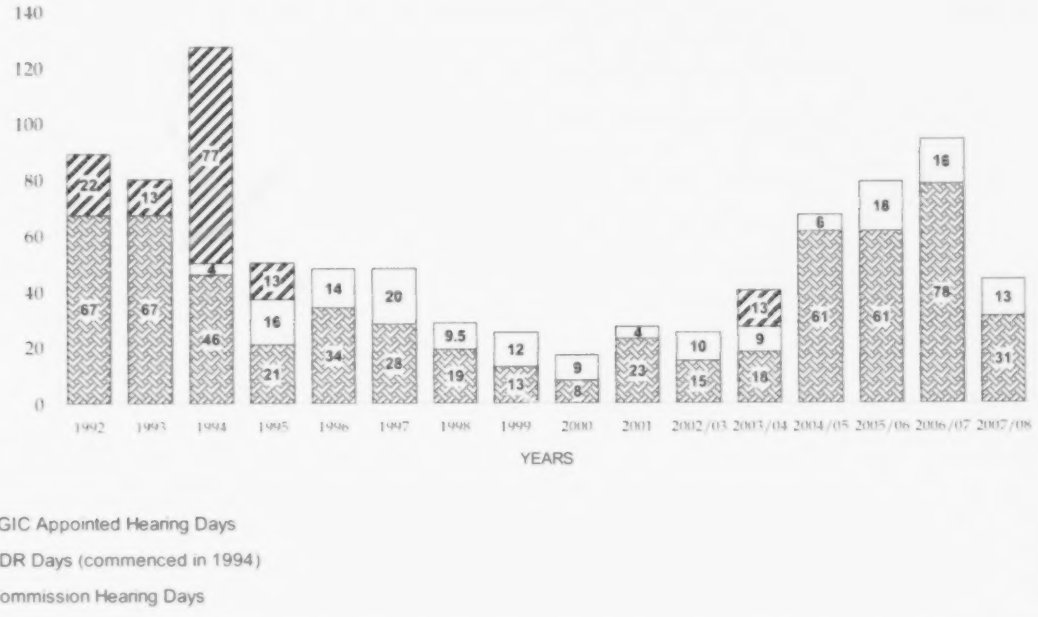
Applicant	Application	Procedural/ Pre-hearing Conference	Workshop	NSP/ ADR	Oral Public Hearings	Total Days
TGVI	Mt. Hayes LNG Storage Facility – CPCN				Written Hearing	
Terasen Gas	Storage and Delivery Services Agreement for the Mt. Hayes LNG Storage Facility				Written Hearing	
Trans Mountain (Jet Fuel) Inc.	Toll Application and Accelerated Depreciation	1			Written Hearing	1
Terasen Gas	Sale of Land (Lochburn)				Written Hearing	
Terasen Gas/TGVI	System Extension and Connection Policies				Written Hearing	
CHDL	2007 Revenue Requirements			1		1
BC Hydro	Electricity Purchase Agreement with Alcan Inc.	2			7	9
FortisBC	Distribution Substation Automation Project – CPCN				Written Hearing	
FortisBC	2007 Annual Review 2008 Revenue Requirements			2		2
Terasen Gas	2007 Annual Review 2008 Revenue Requirements			1		1
TGVI	2007 Settlement Update Meeting – 2008 Revenue Requirements			1		1
FortisBC	Ootischenia Substation Project – CPCN				Written Hearing	
TGVI	Long Term Service Agreements with BC Hydro				Written Hearing	
PNG	2008 Revenue Requirements			2		2
PNG (N.E.)	2008 Revenue Requirements			2		2

Applicant	Application	Procedural/ Pre-hearing Conference	Workshop	NSP/ ADR	Oral Public Hearings	Total Days
BCTC	Interior to Lower Mainland Transmission Project – CPCN	2			1	3
Unocal Canada Limited	Disposition of Interest in the Aitken Creek Storage Facility				Written Hearing	
Aitken Creek Gas Storage ULC	CPCN and Exemption in respect of its Ownership and Operation of the Aitken Creek Storage Facility				Written Hearing	
BC Hydro	Transmission Service Rates Customer Baseline Load Dispute				Written Hearing	
Terasen Gas	Fort Nelson Division 2008 Revenue Requirements				Written Hearing	
BC Hydro	Standing Offer Program		1	1		2
BCTC	Thermal Upgrade Project				Written Hearing	
BCTC	Transmission System Capital Plan F2009 to F2018			2	Written Hearing	2
ICBC	Regional Claim Centres Allocation		1	1		2
Dockside Green Energy	District Energy System Project – CPCN				Written Hearing	
TGVI	Mt. Hayes LNG Storage Facility – Confidential Report				Written Hearing	
TOTAL DAYS		**11.5**	**3.5**	**13**	**31**	**60**

Hearing and Alternative Dispute Resolution Days (Fiscal 2007/08)

The Negotiated Settlement Process is part of the Commission's efforts to improve the quality and efficiency of regulation. Use of the Negotiated Settlement Process, which is also referred to as Alternative Dispute Resolution, requires considerable work before, during and after the negotiations. Revised "Negotiated Settlement Process: Policy, Procedures and Guidelines" were issued on January 23, 2001 (Letter No. L-3-01).

Alternative Dispute Resolution, the use of formulas for setting ROEs, and multi-year performance based settlements all contributed to the declining trend in the number of hearing days (see chart) until 2003/04. New Commission responsibilities for the regulation of ICBC's mandatory basic insurance, regulation of BCTC, and the re-regulation of BC Hydro rates contributed to the increased number of hearing days in 2004/05 and since. Matters referred to the Commission by the Lieutenant Governor in Council, such as the Kemano Completion Project and the Heritage Contract Inquiry, can have a dramatic affect on the number of hearing days; for example, in 1994 the Kemano Completion Project was reviewed over 77 hearing days and in 2003 the Heritage Inquiry was reviewed over 13 days.



The decrease in the number of oral hearing days was due to an increase in written hearings for the review of applications; 8 oral public hearings and 22 written hearings in 2007/08 versus 10 public hearings and 19 written hearings in 2006/07.

Customer Complaints and Inquiries (Fiscal 2007/08)

Inquiries from Utility Customers concerning Terms and Conditions of Utility Service, Quality of Service, Rate Increases, Billing and Payment Requirements, Disconnections, etc.

An important aspect of the Commission's mandate is to apply regulation in a manner that reflects fair, consistent and clearly enunciated standards. Commission staff is available to assist the public in dealing with regulated utilities so that problems and inquiries are handled in a prompt, helpful and efficient manner.

Most complaints and inquiries are resolved through discussions between the customer and the utility concerned. Unresolved issues are referred to the Commission. To facilitate communication between the Commission and the customers of regulated utilities wishing to file complaints or have points clarified, toll-free calling from anywhere in the Province is available. The number of complaints and inquiries in 2007/08 decreased to 417 from the 544 reported in 2006/07 and 612 in 2005/06.

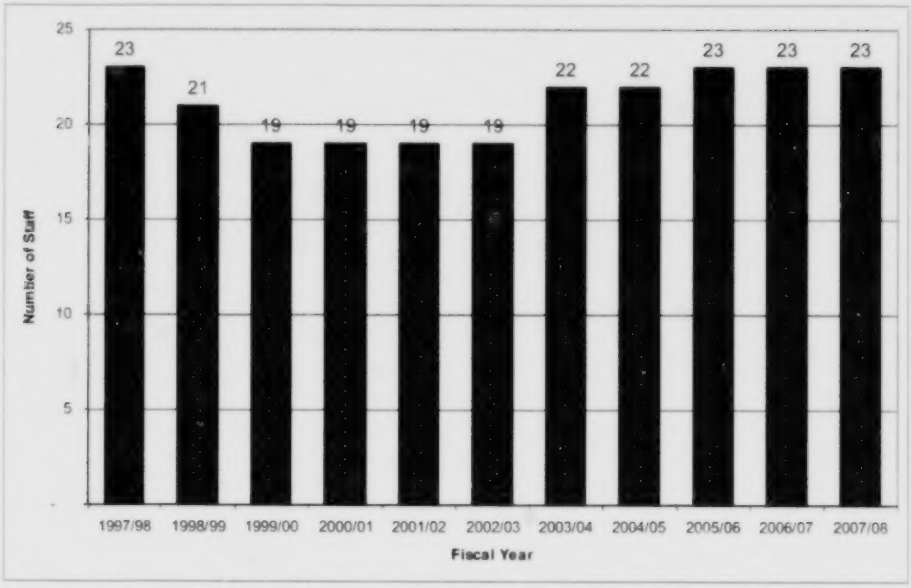
During 2007/08, two requests for information were made under the Freedom of Information and Protection of Privacy Act.

Summary of 2007/08 Customer Complaints and Inquiries

	Category Breakdown	Total
Big White Propane Utility		0
British Columbia Hydro and Power Authority		125
~ General Complaints	52	
~ Quality of Service	47	
~ Billing	17	
~ Disconnected/Security Deposit Requirement		
British Columbia Transmission Corporation		2
Cal-Gas Inc.		1
Central Heat Distribution Limited		0
Central Coast Power Corporation		1
Corix Multi Utility Services Ltd.		2
FortisBC Inc.		31
Hemlock Valley Electrical Services Ltd.		1
Insurance Corporation of British Columbia		20
Nelson Hydro		2
Pacific Northern Gas Ltd.		6
Pacific Northern Gas (N.E.) Ltd.		1
Port Alice Gas Inc.		0
Silversmith Power and Light		2
Stargas Utilities Ltd.		0
Sun Peaks Utilities Co. Ltd.		1
Terasen Gas Inc.		216
~ General Complaints	54	
~ Billing	104	
~ Disconnected/Security Deposit Requirement	58	
Terasen Gas (Vancouver Island) Inc.		6
Total 2007/08 Complaints/Inquiries		417

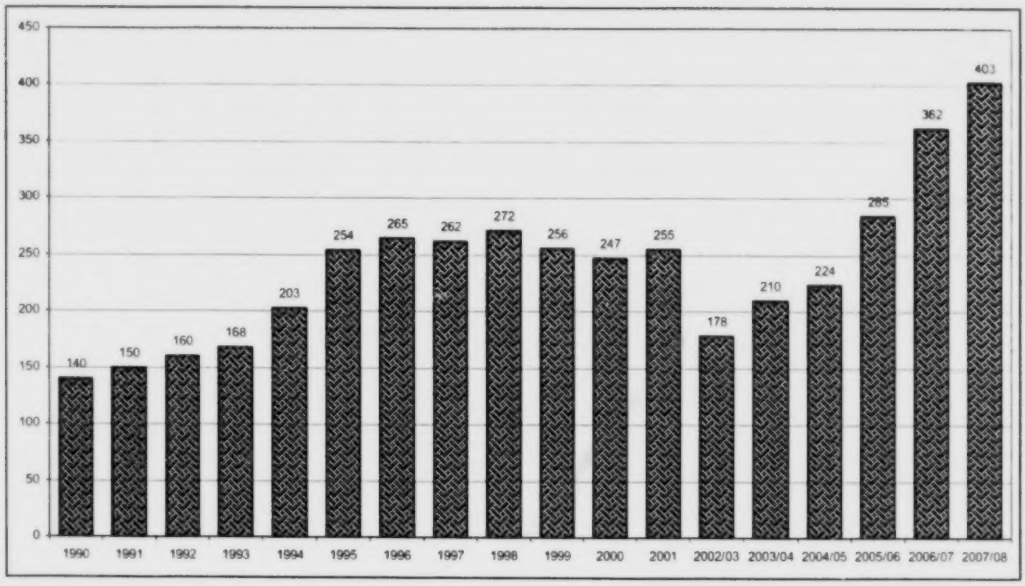
Staffing Levels

Staffing levels remained the same over 2006/07 and 2007/08.



Directives Issued

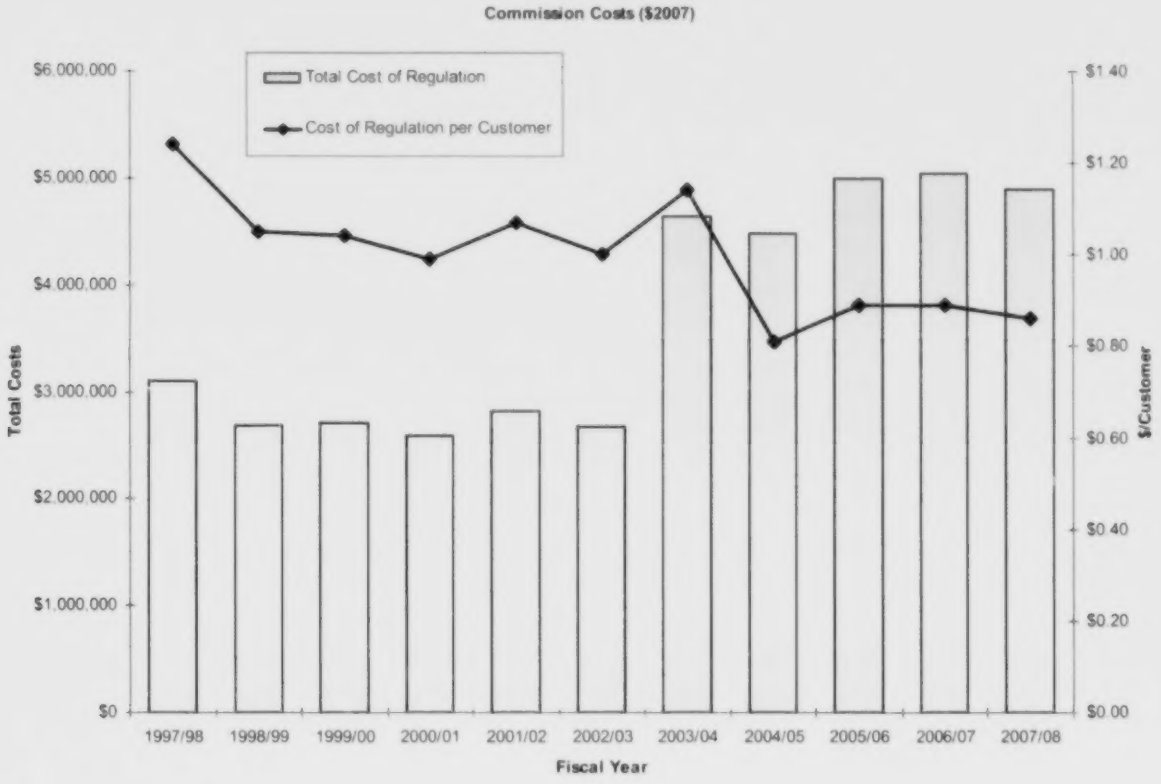
The number of Orders and Letters of Direction issued in 2007/08 was 403 up from 362 recorded for 2006/07, and 285 recorded for 2005/06.



Commission Expenditures and Cost of Regulation per Customer

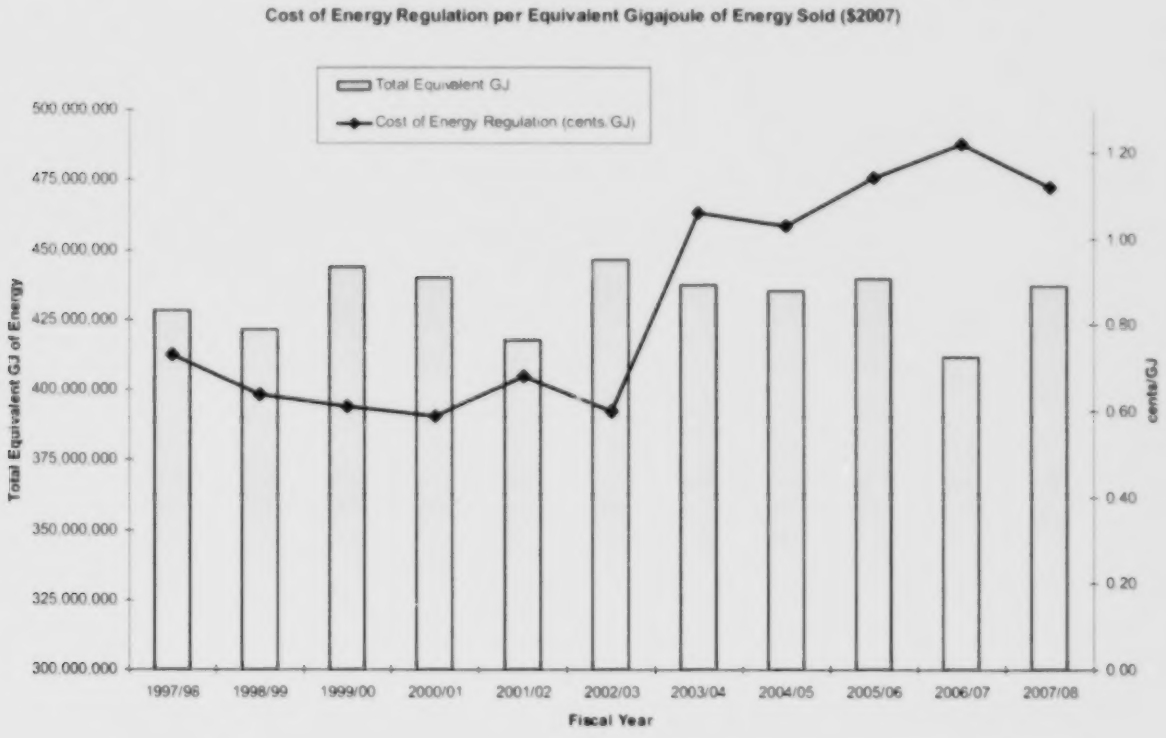
The Commission's actual expenditures for fiscal year 2007/08 (unaudited) were $4,901,971.80 million; a decrease of 1.33 percent from 2006/07.

The cost of regulation per customer is calculated by dividing Commission expenditures by the total number of customers of regulated utilities. For the six years prior to 2003/04, it has been under one dollar per customer; about half of what it was in the early 1990s. The rise in the cost of regulation in 2003/04 primarily reflects the return of BC Hydro to Commission regulation, the regulation of ICBC and BCTC and an increase in the number of hearing days.



Cost of Energy Regulation per Equivalent Gigajoule of Energy Sold (cents)

The cost of regulation per gigajoule (equivalent) of energy sold is calculated by dividing Commission energy regulation expenditures by the amount of energy sold or transported by utilities in that year.

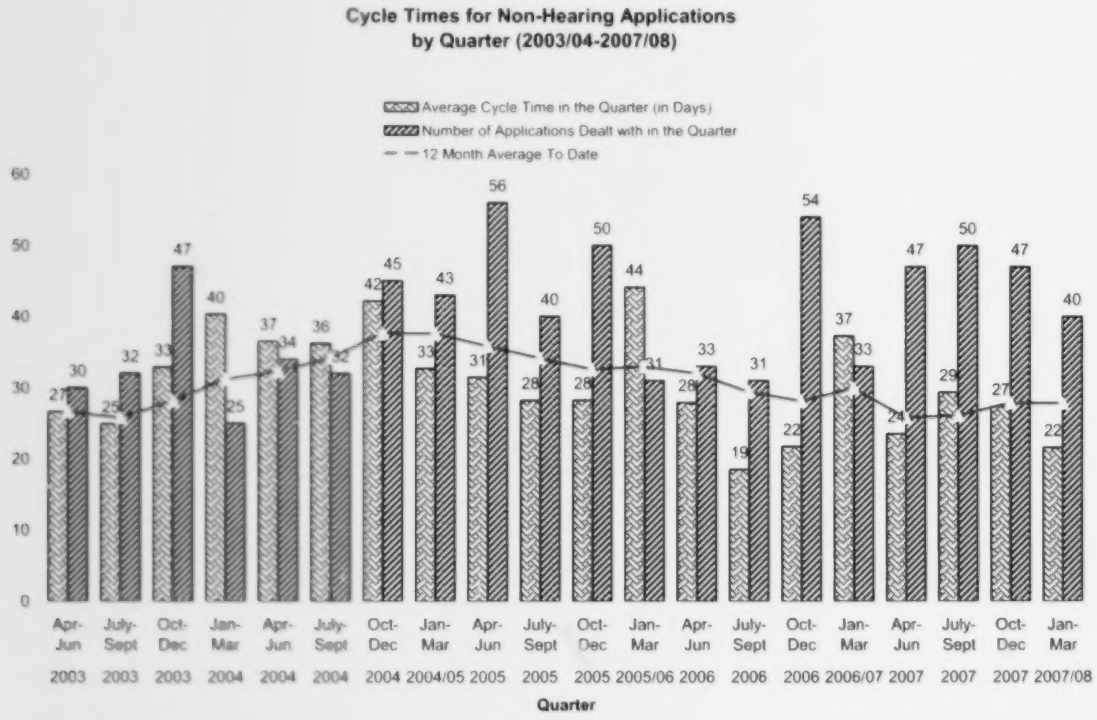


The equivalent energy sold includes both natural gas by gas utilities and the electricity sold (converted to gigajoules) by electrical utilities. From 1996 to 2003 the rates of BC Hydro were effectively frozen and therefore required less regulation than currently, now that the rate freeze has expired. The year over year decrease in "Total Equivalent GJ" reflects a dramatic decrease in gas deliveries of Pacific Northern Gas Ltd.

Cycle Times

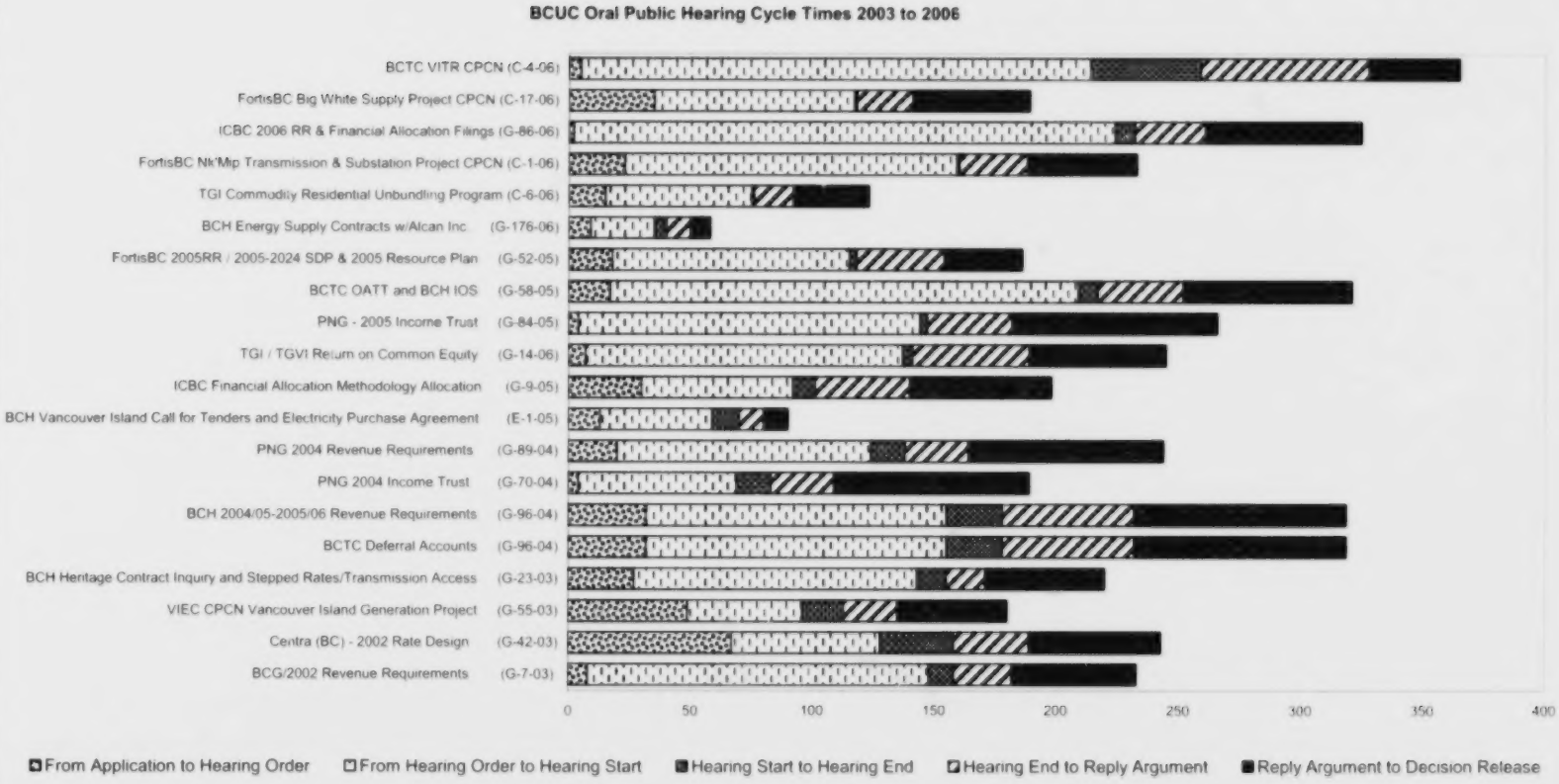
The following four graphs portray "cycle" or "turnaround" times - the time elapsed between the receipt of an Application and a Commission decision - categorized according to the four main ways the Commission processes the Application.

"Non-Hearing" Applications are usually straightforward and not controversial. They are managed by staff review and analysis, often with supplementary information requests and responses from the utility, but without a formal public review. Average cycle times, by quarter, ranged from 24 to 29 calendar days in 2007/08.



Note: In 2002/03 the Commission moved from Calendar year reporting to fiscal year reporting.

More complex applications require a public review process, usually through an oral public hearing, a written public hearing, or a negotiated settlement process. The following six graphs portray the cycle times for applications since 2003 managed by these three processes. Oral public hearings are quasi-judicial and adversarial; most take seven to eights months between receipt of the Application and the issuance of the Commission Decision. The BCUC's written hearing process cycle times average about six months, and Applications managed by a negotiated settlement process take about four months on average between receipt and disposition.


BCUC Oral Public Hearing Cycle Times 2003 to 2006
BCTC VITR CPCN (C-4-06)
FortisBC Big White Supply Project CPCN (C-17-06)
ICBC 2006 RR & Financial Allocation Filings (G-86-06)
FortisBC Nk'Mp Transmission & Substation Project CPCN (C-1-06)
TGI Commodity Residential Unbundling Program (C-6-06)
BCH Energy Supply Contracts w/Alcan Inc (G-176-06)
FortisBC 2005RR / 2005-2024 SDP & 2005 Resource Plan (G-52-05)
BCTC OATT and BCH IOS (G-58-05)
PNG - 2005 Income Trust (G-84-05)
TGI / TGVI Return on Common Equity (G-14-06)
ICBC Financial Allocation Methodology Allocation (G-9-05)
BCH Vancouver Island Call for Tenders and Electricity Purchase Agreement (E-1-05)
PNG 2004 Revenue Requirements (G-89-04)
PNG 2004 Income Trust (G-70-04)
BCH 2004/05-2005/06 Revenue Requirements (G-96-04)
BCTC Deferral Accounts (G-96-04)
BCH Heritage Contract Inquiry and Stepped Rates/Transmission Access (G-23-03)
VIEC CPCN Vancouver Island Generation Project (G-55-03)
Centra (BC) - 2002 Rate Design (G-42-03)
BCG/2002 Revenue Requirements (G-7-03)
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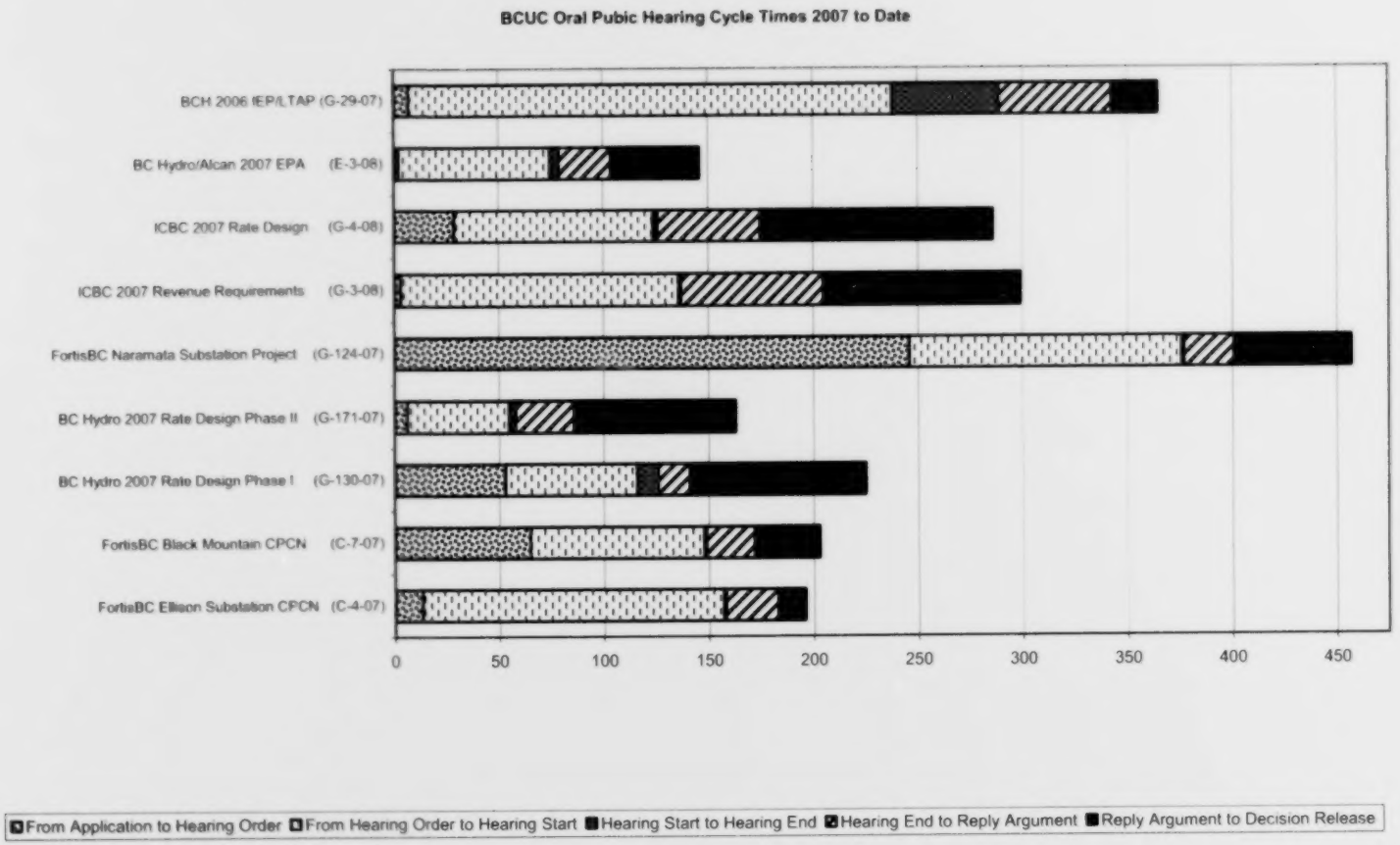
From Hearing Order to Hearing Start
Hearing Start to Hearing End
Hearing End to Reply Argument
Reply Argument to Decision Release


BCUC Oral Pubic Hearing Cycle Times 2007 to Date
BCH 2006 fEP/LTAP (G-29-07)
BC Hydro/Alcan 2007 EPA (E-3-08)
ICBC 2007 Rate Design (G-4-08)
ICBC 2007 Revenue Requirements (G-3-08)
FortisBC Naramata Substation Project (G-124-07)
BC Hydro 2007 Rate Design Phase II (G-171-07)
BC Hydro 2007 Rate Design Phase I (G-130-07)
FortisBC Black Mountain CPCN (C-7-07)
FortisBC Ellison Substation CPCN (C-4-07)
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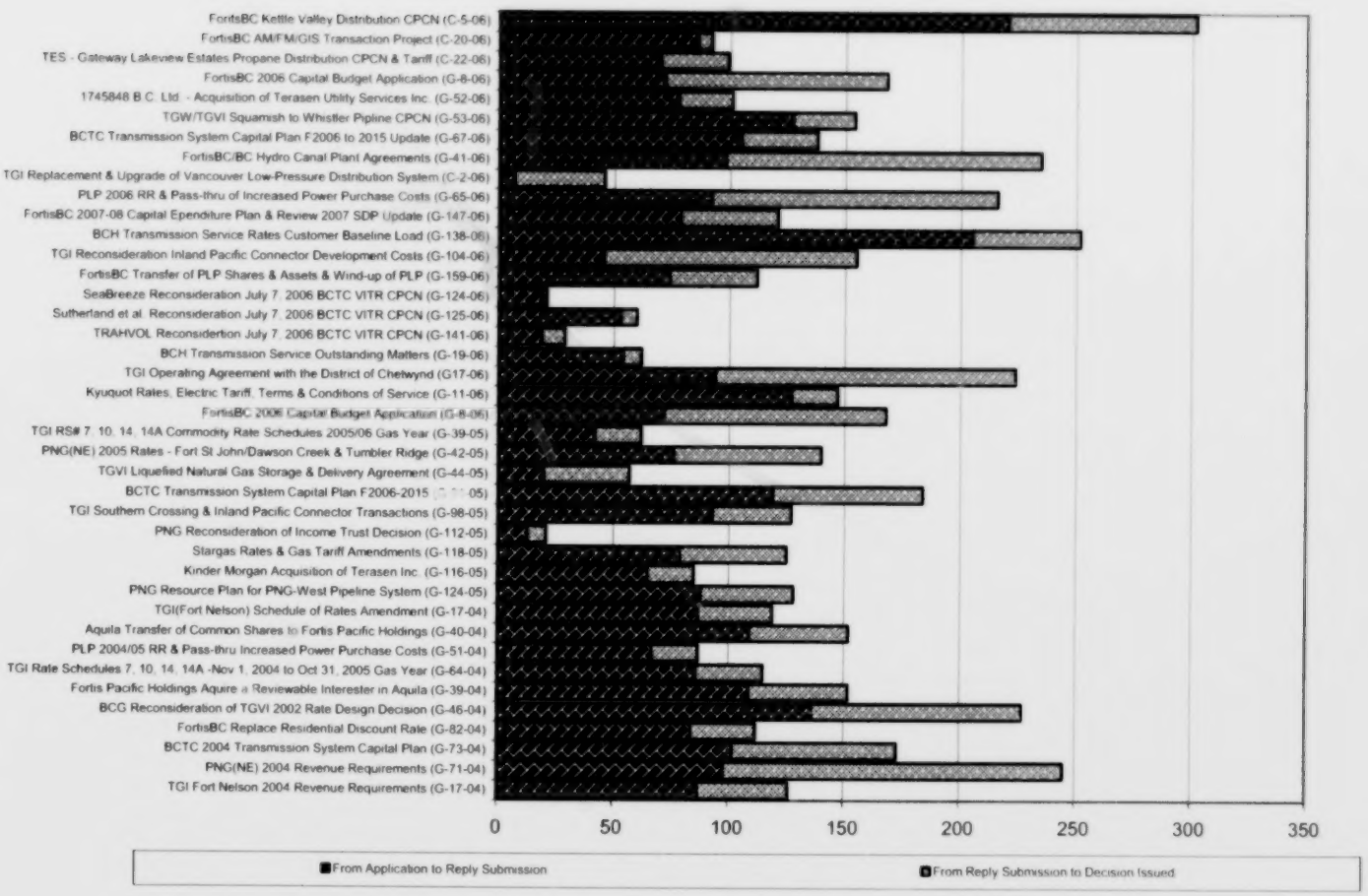
Hearing Start to Hearing End
Hearing End to Reply Argument
Reply Argument to Decision Release

BCUC Written Hearing Cycle Times 2004/05 to 2006


FortisBC Kettle Valley Distribution CPCN (C-5-06)
FortisBC AM/FM/GIS Transaction Project (C-20-06)
TES - Gateway Lakeview Estates Propane Distribution CPCN & Tariff (C-22-06)
FortisBC 2006 Capital Budget Application (G-8-06)
1745848 B.C. Ltd. - Acquisition of Terasen Utility Services Inc. (G-52-06)
TGW/TGVI Squamish to Whistler Pipline CPCN (G-53-06)
BCTC Transmission System Capital Plan F2006 to 2015 Update (G-67-06)
FortisBC/BC Hydro Canal Plant Agreements (G-41-06)
TGI Replacement & Upgrade of Vancouver Low-Pressure Distribution System (C-2-06)
PLP 2006 RR & Pass-thru of Increased Power Purchase Costs (G-65-06)
FortisBC 2007-08 Capital Expenditure Plan & Review 2007 SDP Update (G-147-06)
BCH Transmission Service Rates Customer Baseline Load (G-138-06)
TGI Reconsideration Inland Pacific Connector Development Costs (G-104-06)
FortisBC Transfer of PLP Shares & Assets & Wind-up of PLP (G-159-06)
SeaBreeze Reconsideration July 7, 2006 BCTC VITR CPCN (G-124-06)
Sutherland et al. Reconsideration July 7, 2006 BCTC VITR CPCN (G-125-06)
TRAHVOL Reconsidertion July 7, 2006 BCTC VITR CPCN (G-141-06)
BCH Transmission Service Outstanding Matters (G-19-06)
TGI Operating Agreement with the District of Chetwynd (G17-06)
Kyuquot Rates, Electric Tariff, Terms & Conditions of Service (G-11-06)
FortisBC 2006 Capital Budget Application (G-8-06)
TGI RS# 7, 10, 14, 14A Commodity Rate Schedules 2005/06 Gas Year (G-39-05)
PNG(NE) 2005 Rates - Fort St John/Dawson Creek & Tumbler Ridge (G-42-05)
TGVI Liquefied Natural Gas Storage & Delivery Agreement (G-44-05)
BCTC Transmission System Capital Plan F2006-2015 (G-[illegible]-05)
TGI Southern Crossing & Inland Pacific Connector Transactions (G-98-05)
PNG Reconsideration of Income Trust Decision (G-112-05)
Stargas Rates & Gas Tariff Amendments (G-118-05)
Kinder Morgan Acquisition of Terasen Inc. (G-116-05)
PNG Resource Plan for PNG-West Pipeline System (G-124-05)
TGI(Fort Nelson) Schedule of Rates Amendment (G-17-04)
Aquila Transfer of Common Shares to Fortis Pacific Holdings (G-40-04)
PLP 2004/05 RR & Pass-thru Increased Power Purchase Costs (G-51-04)
TGI Rate Schedules 7, 10, 14, 14A -Nov 1, 2004 to Oct 31, 2005 Gas Year (G-64-04)
Fortis Pacific Holdings Aquire a Reviewable Interester in Aquila (G-39-04)
BCG Reconsideration of TGVI 2002 Rate Design Decision (G-46-04)
FortisBC Replace Residential Discount Rate (G-82-04)
BCTC 2004 Transmission System Capital Plan (G-73-04)
PNG(NE) 2004 Revenue Requirements (G-71-04)
TGI Fort Nelson 2004 Revenue Requirements (G-17-04)
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From Application to Reply Submission
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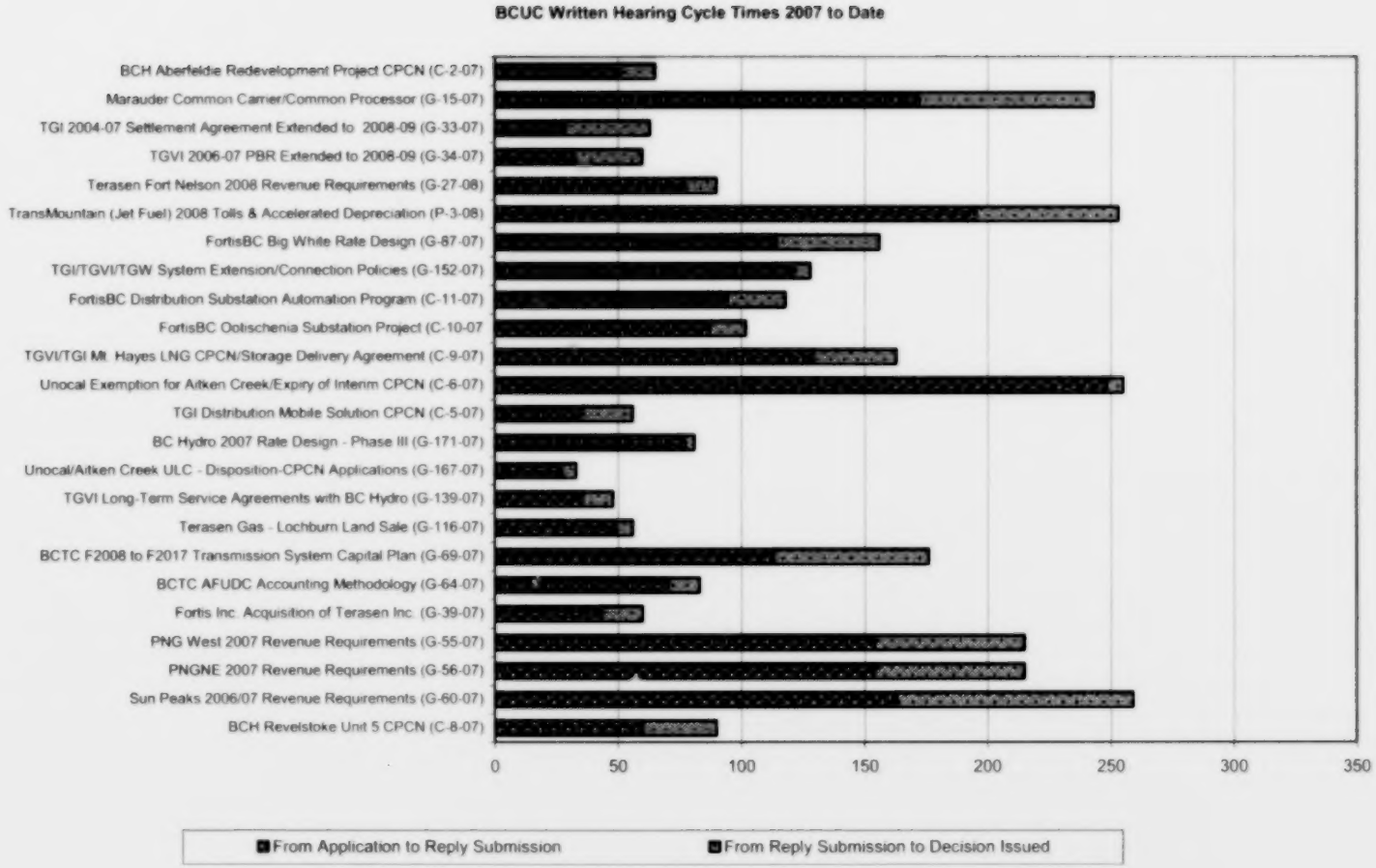
BCUC Written Hearing Cycle Times 2007 to Date
BCH Aberfeldie Redevelopment Project CPCN (C-2-07)
Marauder Common Carrier/Common Processor (G-15-07)
TGI 2004-07 Settlement Agreement Extended to 2008-09 (G-33-07)
TGVI 2006-07 PBR Extended to 2008-09 (G-34-07)
Terasen Fort Nelson 2008 Revenue Requirements (G-27-08)
TransMountain (Jet Fuel) 2008 Tolls & Accelerated Depreciation (P-3-08)
FortisBC Big White Rate Design (G-87-07)
TGI/TGVI/TGW System Extension/Connection Policies (G-152-07)
FortisBC Distribution Substation Automation Program (C-11-07)
FortisBC Ootischenia Substation Project (C-10-07
TGVI/TGI Mt. Hayes LNG CPCN/Storage Delivery Agreement (C-9-07)
Unocal Exemption for Aitken Creek/Expiry of Interim CPCN (C-6-07)
TGI Distribution Mobile Solution CPCN (C-5-07)
BC Hydro 2007 Rate Design - Phase III (G-171-07)
Unocal/Aitken Creek ULC - Disposition-CPCN Applications (G-167-07)
TGVI Long-Term Service Agreements with BC Hydro (G-139-07)
Terasen Gas - Lochburn Land Sale (G-116-07)
BCTC F2008 to F2017 Transmission System Capital Plan (G-69-07)
BCTC AFUDC Accounting Methodology (G-64-07)
Fortis Inc. Acquisition of Terasen Inc. (G-39-07)
PNG West 2007 Revenue Requirements (G-55-07)
PNGNE 2007 Revenue Requirements (G-56-07)
Sun Peaks 2006/07 Revenue Requirements (G-60-07)
BCH Revelstoke Unit 5 CPCN (C-8-07)
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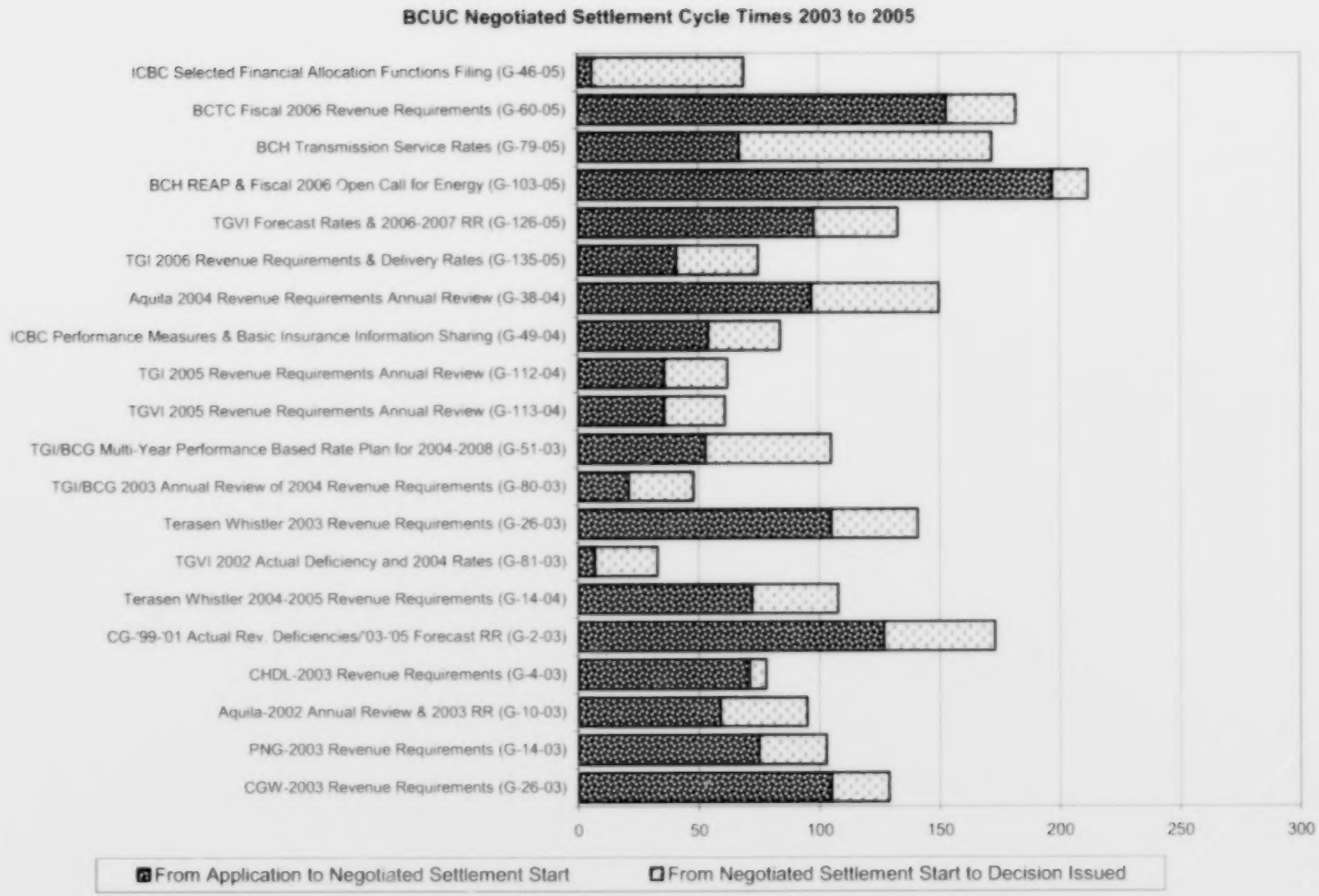
BCUC Negotiated Settlement Cycle Times 2003 to 2005
ICBC Selected Financial Allocation Functions Filing (G-46-05)
BCTC Fiscal 2006 Revenue Requirements (G-60-05)
BCH Transmission Service Rates (G-79-05)
BCH REAP & Fiscal 2006 Open Call for Energy (G-103-05)
TGVI Forecast Rates & 2006-2007 RR (G-126-05)
TGI 2006 Revenue Requirements & Delivery Rates (G-135-05)
Aquila 2004 Revenue Requirements Annual Review (G-38-04)
ICBC Performance Measures & Basic Insurance Information Sharing (G-49-04)
TGI 2005 Revenue Requirements Annual Review (G-112-04)
TGVI 2005 Revenue Requirements Annual Review (G-113-04)
TGI/BCG Multi-Year Performance Based Rate Plan for 2004-2008 (G-51-03)
TGI/BCG 2003 Annual Review of 2004 Revenue Requirements (G-80-03)
Terasen Whistler 2003 Revenue Requirements (G-26-03)
TGVI 2002 Actual Deficiency and 2004 Rates (G-81-03)
Terasen Whistler 2004-2005 Revenue Requirements (G-14-04)
CG-'99-'01 Actual Rev. Deficiencies/'03-'05 Forecast RR (G-2-03)
CHDL-2003 Revenue Requirements (G-4-03)
Aquila-2002 Annual Review & 2003 RR (G-10-03)
PNG-2003 Revenue Requirements (G-14-03)
CGW-2003 Revenue Requirements (G-26-03)
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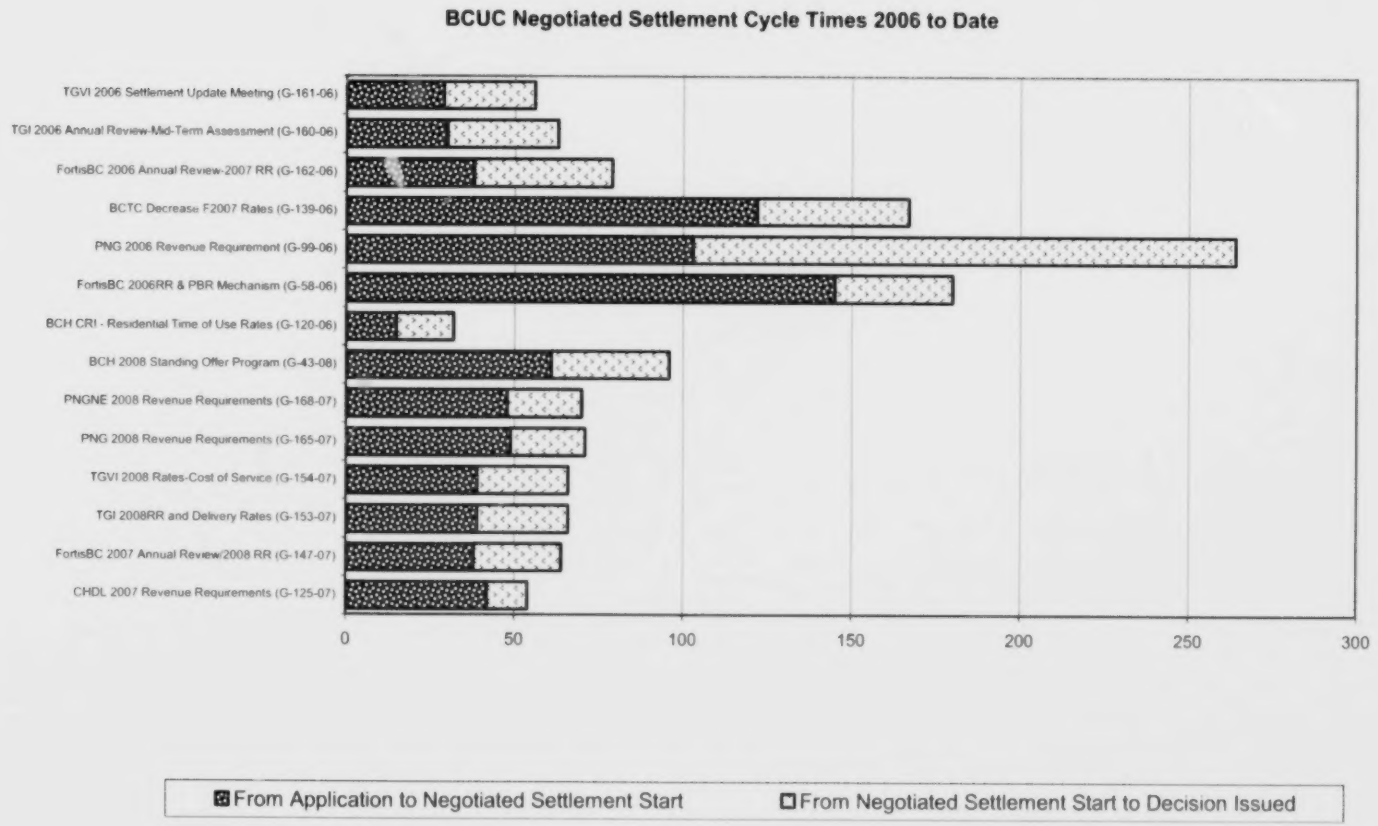
From Application to Negotiated Settlement Start
From Negotiated Settlement Start to Decision Issued


BCUC Negotiated Settlement Cycle Times 2006 to Date
TGVI 2006 Settlement Update Meeting (G-161-06)
TGI 2006 Annual Review-Mid-Term Assessment (G-160-06)
FortisBC 2006 Annual Review-2007 RR (G-162-06)
BCTC Decrease F2007 Rates (G-139-06)
PNG 2006 Revenue Requirement (G-99-06)
FortisBC 2006RR & PBR Mechanism (G-58-06)
BCH CRI - Residential Time of Use Rates (G-120-06)
BCH 2008 Standing Offer Program (G-43-08)
PNGNE 2008 Revenue Requirements (G-168-07)
PNG 2008 Revenue Requirements (G-165-07)
TGVI 2008 Rates-Cost of Service (G-154-07)
TGI 2008RR and Delivery Rates (G-153-07)
FortisBC 2007 Annual Review/2008 RR (G-147-07)
CHDL 2007 Revenue Requirements (G-125-07)
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From Application to Negotiated Settlement Start
From Negotiated Settlement Start to Decision Issued

G-40-07 TERASEN GAS

Approved Rate Schedules 1U, 1X, 2X and 3X as revised, and the revisions to the Code of Conduct as set out in Terasen Gas' April 5, 2007 letter.

G-42-07 FORTISBC

Established an Oral public hearing into the siting of the Naramata substation project and related costs and issues and ordered construction work to be suspended immediately, pending further instructions.

G-43-07 BC HYDRO

Established a written public hearing process and Regulatory Timetable for the review of the Revelstoke Unit 5 CPCN Application.

G-44-07 TERASEN GAS

Denied, pursuant to Sections 45 and 46 of the Act, the amendment of the Project and Application as set out in Terasen's March 23, 2007 letter and denied the Application for a CPCN to upgrade the Mission Intermediate Pressure System by replacing the gas pipeline on the Mission Highway Bridge with a horizontal directionally drilled crossing of the Fraser River.

G-45-07 TERASEN GAS

Approved revisions to the Code of Conduct outlined in items 1 to 5 of Terasen Gas' letter dated April 3, 2007.

G-46-07 FORTISBC

Established a written process to review the preliminary issue of "whether or not there is still a serious question as to whether Big White customers should be paying some or all of those project costs" with respect to the Big White Supply Project Rate Design proceeding.

G-47-07 CANADIAN HYDRO DEVELOPERS INC.

Exempted Canadian Hydro from Section 71 and Part 3 of the Act (except Section 22 of the Act) for the sale of electrical power from the Upper Mamquam Hydro facility and an exemption for Coastal Rivers from Section 71 for the purpose of supplying the intake works of the Lower Mamquam Hydro facility, effective April 27, 2007.

G-48-07 ICBC

Established a combined regulatory process for the 2007 Revenue Requirements (written hearing) and the 2007 Rate Design (oral public hearing).

G-49-07 FORTIS INC.

Reasons for Decision approving the acquisition of all issued and outstanding shares of Terasen Inc.

G-50-07 BC HYDRO

Established an Oral public hearing process for the review of the 2007 Rate Design Application.

G-51-07 FORTISBC

Established an Oral public hearing and Regulatory Timetable to review the Naramata Substation Project siting options and related costs and issues.

G-52-07 FORTISBC

Approved the Second Amending Agreement to the Credit Agreement.

G-53-07 BCTC

Denied the request to record an estimated $896,000 of employee severance costs in a non-interest bearing deferral account that resulted from the System Control Modernization Project as the Commission determined the Utility should have anticipated the expenses in either its F2007 Revenue Requirement Application or the March 20, 2007 AFUDC Application.

G-54-07 TERASEN GAS

Established a written public hearing for the Distribution Mobile Solution Project.

G-55-07 PNG

Order and Reasons for Decision approving an adjusted 2007 revenue deficiency of $362,279 and PNG's request to draw down a total of $900,000 from the deferred income tax balance for 2007.

G-56-07 PNG (N.E.)

Issued Reasons for Decision approving the 2007 Revenue Requirements and Rates for the Fort St. John/Dawson Creek Divisions.

G-57-07 ICBC

Denied the request to amend the weight limitation for Rate Class 017 in the ICBC Basic Tariff.

Approved the Basic Insurance Tariff, including the subsequent Errata, except for the changed applied for separately to amend the weight class limitations on Rate Class 017, effective June 1, 2007.

G-58-07 KYOQUOT

Approved the following subject to Ka:'yu:'k't'h'/Che:k:tles7et'h' Nation ("KCN") making a contribution in aid of construction payment of $850,000 to Kyuquot:

- revision to Electric Tariff Rate Schedule 1101 for service to all customers except the KCN;
- new Electric Tariff Rate Schedule 1102.

G-59-07 TGVI

Approved the retention of the Texada Island Compressor Station consistent with the terms of the Compressor Facility Agreement (CFA), effective December 31, 2007, or effective December 31, 2008 in the event that the term of the BC Hydro Transportation Service Agreement is extended to December 31, 2008.

Further approved the inclusion in the TGVI rate base of the Retention Amount payable by TGVI to BC Hydro under the terms of the CFA, in an amount consistent with the effective date of the retention of the Station by TGVI.

G-60-07 SUN PEAKS

Issued Reasons for Decision approving the 2006/07 revenue requirements subject to the Sun Peaks recalculating the 2006/07 rates as directed.

G-61-07 FORTISBC

Approved, pursuant to Section 50(2) of the Act, the issuance of new unsecured debentures in a principal amount of no more than $110 million with interest rates not exceeding 6.2 percent for a term of up to 40 years, and a term between 10 and 40 years.

G-62-07 BCUC

Ordered, a levy rate of $0.0079302327 per GJ equivalent of energy sold for the calendar year 2006 shall be paid by, and collected from all public utilities for the recovery of Commission expenses in the fiscal year commencing April 1, 2007. Pursuant to Section 125 of the Act, ICBC and BCTC shall pay the Commission's 2007/08 allocated budgeted expenses of $600,000 each, in quarterly installments. Pursuant to Levy Regulation 283/88 and Letter L-39-96, the upstream natural gas processors and intraprovincial oil pipelines shall pay $1,000 for the fiscal year commencing April 1, 2007. The cost recovery revenue from natural gas marketers for the residential and commercial unbundling program for 2007 is estimated to be $12,000.00.

G-63-07 TGVI

Procedural Order requesting Intervenor submissions on the issues and procedural matters, including timing and steps in the review process.

G-64-07 BCTC

Approved, pursuant to Section 49(a) of the Act and Sections 3 and 6 of the Special Direction No. 9, the methodology for BCTC that recognizes AFUDC accounting treatment, effective April 1, 2007.

Accepted the F2008 Financial Filing which did not contain F2008 forecast capital additions and therefore, a level of F2008 forecast capital additions has not been approved.

Approved the current interim customer rates as permanent effective April 1, 2007.

Approved the proposed disposition of the forecast $0.4 million F2008 Forecast Revenue Sufficiency to the Revenue Deferral Account.

G-65-07 TERASEN GAS

Approved amendments to the Tariff Terms and Conditions, to include the definitions of "Hydronic Heating System", "Thermal Energy", and "Thermal Metering".

Ordered Terasen to report on the status of the Thermal Metering pilot project by July 15th of each year, starting in 2008 and each year thereafter through 2012 inclusive.

G-66-07 TERASEN GAS

Approved, pursuant to Section 61(4) of the Act, a propane reference price increase of $0.0290 per litre to $0.3542 per litre, which corresponds to an increase of $1.180 per gigajoule in customer rates, effective July 1, 2007.

G-67-07 TERASEN WHISTLER

Approved, pursuant to Section 61(4) of the Act, an increase to Rate Rider A from $4.494 to $5.336 per gigajoule, which corresponds to an increase of $0.842 per gigajoule in customer rates, effective July 1, 2007.

G-68-07 TERASEN ENERGY MARKETING INC.

Established a written public hearing process and regulatory timetable for the review of the TEM Application, to consider whether the existing TGI Code of Conduct and Transfer Pricing Policy is satisfactory to address the situation that would be created if TEM is granted a license to market natural gas.

G-69-07 BCTC

Order issuing the Decision on the Transmission System Capital Plan F2008 to F2017 and stating that the application meets the requirements of Section 45(b) and 45(6.1) of the UCA.

G-70-07 BCTC/BC HYDRO/FORTISBC

Approved, pursuant to Sections 23 and 38 of the Act, the Sixth Amendment of the Reliability Criteria Agreement Ð Canadian Language Version with the Western Electricity Coordinating Council effective July 1, 2007 for BC Hydro and BCTC, and effective January 1, 2008 for FortisBC.

G-71-07 TERASEN ENERGY MARKETING INC.

Established a written public hearing and Regulatory Timetable for the review of the Application for a License to Market Natural Gas.

G-72-07 BCUC

Approved, pursuant to Section 118 of the Act, the amended Participant Assistance/Cost Award Guidelines.

G-73-07 BCUC

Approved, pursuant to Section 71.1 of the Act and Rules for Gas Marketers, amendments to the Code of Conduct effective July 1, 2007 by addition of Third Party Verification as set out in the Reasons for Decision.

G-74-07 TERASEN GAS

Order and Reasons for Decision approving Rate Schedule 7 as a permanent rate schedule effective November 1, 2007, and approved the elimination of the Rate Schedule 10 tariff effective November 1, 2007.

Approved the extension of Rate Schedule 14A without changes for the 2007/08 gas contract year.

Directed Terasen Gas to file a report for Rate Schedule 14A within 30 days of the end of each gas contract year that will summarizes monthly gas purchase and sales quantities, and costs and revenue for each month.

G-75-07 FORTISBC

Approved the Lochrem Road site for the construction of the Ellison Substation.

G-76-07 BC HYDRO

Ordered that the cost recovery review of the BC Hydro F2007 Storm Restoration Costs will be performed along with the review of BC Hydro's next revenue requirements application.

Established the F2007 Unplanned Major Storm Restoration Costs regulatory asset in the amount of $32.9 million plus interest at BC Hydro's weighted average cost of debt for its most recent fiscal year and carry forward the regulatory asset until a review in BC Hydro's next revenue requirements application.

G-77-07 BC HYDRO

Approved the establishment of regulatory asset treatment in respect of incremental operating expenditures to be incurred in F2008 to improve outage communication with customers and improve the resiliency of vulnerable portions of its distribution system. The cost recovery review of the F2008 Incremental Operating Expenditures will be performed along with the review of the Utility's next revenue requirements application.

G-78-07 TGVI

Established a written public hearing process and Regulatory Timetable for the regulatory review of the Mt. Hayes Liquefied Natural Gas Storage Project and Approval of a Storage and Delivery Services Agreement.

G-79-07 TERASEN UTILITIES

Approved the Application to submit a combined 2008 Resource Plan, incorporating TGI, TGVI, and Terasen Whistler, and directed to be submitted to the Commission by the end of the second quarter of 2008.

G-80-07 BCTC

Accepted for filing Attachment P: Transmission Service and Interconnection Service Procedures for Competitive Acquisition Process and amendments to certain pages of the OATT and Attachment M of the OATT, effective July 1, 2007.

G-81-07 BC HYDRO

Ordered to file an accounting of the realized salvage value of the Lytton Station Diesel generators, station buildings and other equipment, is delayed and shall be filed by December 31, 2007.

Ordered to file the detailed environmental assessment site reclamation estimate and schedule for the Lytton Generating Station by December 31, 2007.

G-82-07 PNG

Approved, pursuant to Sections 50 and 52 of the Act, the $20,000,000 Revolving Credit Facility with Roynat and Canadian Western Bank.

Approved the issuance of the $15,000,000 New Roynat Debenture.

Approved a $15,000,000 hedge line between PNG and one of the three financial institutions named in the Application and the issuance of the $20,000,000 Hedge Line Debenture to secure such hedge line.

Approved PNG's proposals with respect to including the unamortized debt issue expenses of the two existing Roynat loans with the new debt issue expenses and the recording of the difference between actual and forecast interest rates in the new long term debt interest deferral account.

G-83-07 TERASEN ENERGY MARKETING INC.

Amended the Regulatory Timetable established in Commission Order G-71-07.

G-84-07 BC HYDRO

Approved, pursuant to Section 89 of the Act, the current Zone II Special Contract rate on an interim refundable basis, effective June 1, 2007.

Ordered BC Hydro to remove Section 2 of Tariff page B-36 and replace it with the revised Section 2 as proposed in the July 11, 2007 application.

Directed that the application to address all the issues related to the Zone II rates, including issues related to the Special Contract rate be filed on or before October 1, 2007; and further directed that the interruptible rates for the Independent Power

Producers Zone II customers be deferred until Phase III of the 2007 Rate Design proceeding.

G-85-07 TERASEN GAS

Approved the 2007/08 Gas Supply Mitigation Incentive Program or the gas contract year from November 1, 2007 through October 31, 2008.

G-86-07 TERASEN GAS

Established a written review process and Regulatory Timetable for the review of the Sale of Land at 3700 2nd Avenue, Burnaby, BC Application.

G-87-07 FORTISBC

Order and Reasons for Decision approving the inclusion of the Big White Supply project costs in the FortisBC rate base as proposed in its Rate Design Application.

G-88-07 PNG (N.E.)

Approved, pursuant to Section 50 of the Act, PNG(NE) entering into and incurring indebtedness under the ten-year $11 million and the five-year $7.5 million loan agreements with its parent company, PNG.

Approved PNG(N.E.)'s proposals with respect to including the unamortized debt issue expenses and the redemption fees of the three existing loans with the new debt issue expenses and the recording of the difference between actual and forecast interest rates in the new long-term debt interest deferral account.

The financing terms set forth in the Application are to be held confidential due to the commercial sensitivity of the terms.

G-89-07 BCTC

Approved Terms and Conditions for the Spinning Reserve transmission service, Contingency Reserve transmission service; and the Mixed Class Wheelthrough transmission service tariff pages.

G-90-07 TERASEN GAS/TGVI

Established a written process and a draft Regulatory Timetable for review of the System Extension and Connection Policies Application.

G-91-07 BC HYDRO

Ordered BC Hydro the following documents within seven calendar days, to be filed on a confidential basis with the Commission:

a) the original Electricity Purchase Agreement between BC Hydro and Central Coast Power Corporation;

b) the exchange of correspondence between BC Hydro and Central Coast Power Corporation referred to by BC Hydro's counsel at T2:185 that sets out the terms and conditions of the amended Electricity Purchase Agreement between BC Hydro and Central Coast Power Corporation; and

c) the original lease agreement between BC Hydro and Central Coast Power Corporation and any amendments thereto.

G-92-07 BC HYDRO

Ordered that the complaints entered by the Heiltsuk Tribal Council/Shearwater Marine Limited regarding the 2007 Rate Design Application be held in abeyance until the completion of the oral phase of Phase II.

G-93-07 CEG ENERGY OPTIONS INC.

Order and Reasons for Decision directing that pursuant to Section 71.1 of the Act and the Rules for Gas Marketers, CEG Energy Options will pay a financial penalty of $2,000.00 for the breach of the Code of Conduct for Gas Marketers, with respect to the Universal complaint.

G-94-07 WHOLESALE ENERGY GROUP LTD.

Order and Reasons for Decision directing that, pursuant to Section 71.1 of the Act and the Rules for Gas Marketers, Wholesale Energy will pay a financial penalty of $1,000.00 for the breach of the Code of Conduct for Gas Marketers with respect to the Universal complaint.

G-95-07 ENERGY SAVINGS (BC)

Order and Reasons for Decision directing that, pursuant to Section 71.1 of the Act and the Rules for Gas Marketers, Wholesale Energy to pay a financial penalty of $3,000 for breaches of the Code of Conduct for Gas Marketers.

G-96-07 TERASEN GAS

Approved, pursuant to Section 50(2) of the Act, the incurrence of indebtedness of up to $500 million under the Term Credit Agreement with Canadian Imperial Bank of Canada, subject to the credit agreement being substantially similar to terms set forth in the confidential Indicative Term Sheet and pricing no more than 25 basis points wider than the relevant margins and standby fees in Appendix 1 of the Application.

G-97-07 BC HYDRO

Amended Paragraph 3 of Commission Order G-84-07 to read "BC Hydro is directed to file its application with the Commission to address all the issues related to the Zone II Special Contract rate, on or before October 1, 2007.

G-98-07 UNOCAL

Accepted for filing on an interim basis, pursuant to Sections 59, 61, 90 and 91 of the Act:

- An agreement between Unocal and Terasen Gas Inc. for firm natural gas storage at the Aitken Creek Storage Facility dated July 18, 2007 for the period July 1, 2007 to March 31, 2010.
- An agreement between Unocal and Constellation Energy Commodities Group Inc. dated July 6, 2007 for firm natural gas storage at the Aitken Creek Storage Facility for the period July 6, 2007 to March 31, 2010.

G-99-07 CHDL

Directed CHDL to notify current and prospective customers of the 2007 Revenue Requirements Application and provide each customer with a copy of the Order and Application Executive Summary.

G-100-07 BC HYDRO

Established a Procedural Conference for the review of the 2007 Electricity Purchase Agreement to address procedural matters.

G-101-07 TGVI

Issued a revised Regulatory Timetable for the written public hearing for the Mt. Hayes Liquefied Natural Gas Storage Project.

G-102-07 FORTISBC

Approved, pursuant to Section 50 of the Act, the issuance of up to 250,000 authorized $100 par value common shares to Fortis Pacific Holdings Ltd. for a total value of up to $25 million on or before December 31, 2007.

G-103-07 PNG

Approved the following for the Tumbler Ridge service area:

- an increase to the credit rate rider to $1.491/GJ;
- the September 30, 2007 credit balance to be refunded over two years assuming the current annual gas deliveries forecast;
- a reduction to the current gas cost recovery rate to $5.338/GJ;
- the Company Use Debit Rider be reduced to zero.
- the current Company Use gas Cost Rate of $.487/GJ remains in place.

G-104-07 BCTC

Approved, pursuant to Section 45(6.2)(b) of the Act, the capital expenditures for the construction of interconnection facilities for the South Cranberry Creek Power Project.

G-105-07 TERASEN GAS

Approved changes to the Commodity Cost Recovery Charges for natural gas sales customers in the Lower Mainland Inland and Columbia service areas and the requested pro-rata transfer of a portion of the Commodity Cost Reconciliation Account.

G-106-07 BCTC

Approved the disposition of the Fiscal 2007 balances in the Revenue Deferral Account, Cost of Market Deferral Account, Emergency Maintenance Deferral Account and the Regulatory Expenditure Deferral Account, effective October 1, 2007, by way of a one-time refund or charge to be allocated amongst customer classes in accordance with the rate methodology approved in the F2007 Transmission Revenue Requirements Application.

G-107-07 SPECTRA ENERGY TRANSMISSION

Approved the exemptions given under Orders No. G-101-05, G-90-97, G-91-07 and G-76-98 which will be continued and reissued in the name of Spectra Energy Midstream Corporation.

G-108-07 FORTISBC

Established a written public hearing and Regulatory Timetable for the review of the CPCN Application for the Distribution Substation Automation Project.

G-109-07 CHDL

Approved, pursuant to Section 89 of the Act, an interim increase in Steam Tariff Schedule of Charges by 10.51 percent effective October 1, 2007 as applied for in the 2007 Revenue Requirements Application.

G-110-07 FORTISBC

Established an Oral public hearing and Regulatory Timetable for the review of the CPCN Application for the Ootischenia Substation Project.

G-111-07 BC HYDRO

2007 Rate Design Phase I interim Order approving the use of a FACOS based on embedded costs as the appropriate methodology for the determination of cost causation.

G-112-07 TERASEN GAS

Established the Regulatory Timetable to review the 2008 Revenue Requirement material, which is to be held jointly with the TGVI 2007 Settlement Update Meeting.

G-113-07 TGVI

Established the Regulatory Timetable to review the 2007 and 2008 Revenue Requirement material, which is to be held jointly with the TGI 2007 Annual Review.

G-114-07 TERASEN UTILITIES

Amended the Regulatory Timetable for the System Extension and Connection Policies Application.

G-115-07 FORTISBC

Approved the Time-of-Use rates as applied for in its August 21, 2007 application. Directed FortisBC to file a Cost of Service Study on or before June 30, 2008 and to file a Rate Design Application on or before September 1, 2008.

G-116-07 TERASEN GAS

Approved the disposition of the vacant land at Lochburn, consisting of 7.67 acres of the entire parcel of land.

G-117-07 FORTISBC

Established a regulatory timetable for the 2007 Annual Review, 2008 Revenue Requirements and Negotiated Settlement Process.

G-118-07 BC HYDRO

Approved the termination of Rate Schedule 1288 - Real Time Pricing Transmission Service, effective September 25, 2007.

G-119-07 BCTC

Approved, pursuant to Sections 60 and 61 of the Act, the amendment of BCTC's Rate Schedule 21 General Wheeling Service, effective October 1, 2007.

G-120-07 BC HYDRO

Established a Procedural Conference, an Oral public hearing and the Regulatory Timetable regarding the scope of the proceeding for the review of the 2007 Electricity Purchase Agreement.

G-121-07 BC HYDRO

Approved a second year of the Critical Peak Pricing Term-of-Use program, two new Critical Peak Pricing rates, a revision to an existing TOU rate shortening the number of hours in the peak period, changes to Tariff Supplement No. 73, and revisions to existing Term-of-Use rates.

G-122-07 BC HYDRO

Established the Preliminary Regulatory Timetable for the preliminary review of the 2007 Rate Design (Phase III) Zone II Special Contract Application.

G-123-07 TGVI

Established a Written Hearing Process and Regulatory Timetable for the review of the Long Term Service Agreements with TGVI and Terasen Gas.

G-124-07 FORTISBC

Established a written public hearing process for the regulatory review of the Zone II Special Contract Rate Application. Further ordered that Evidence filed in Phase II of the 2007 RDA forms part of the record in the Phase III proceeding.

G-125-07 CHDL

Approved the Negotiated Settlement Agreement package and an average permanent rate increase in the Steam Tariff Schedule of Charges of 7.288 percent effective October 1, 2007 to recover a 2007 revenue deficiency of $424,846. Also approved permanent rate increases of 1.329 percent per year in the Steam Tariff Schedule of Charges for 2008 and 2009 for a rate increase of 8.617 percent effective January 1, 2008 and 9.946 percent effective January 1, 2009.

Ordered that the difference between the interim rates and the permanent rates are subject to refund with interest at the average prime rates of CHDL principal bank.

G-126-07 ICBC

Approved the Driver Risk Premium program for ICBC pursuant to the 2007 Rate Design proceeding.

G-127-07 PNGW

Established a regulatory timetable and requested Intervenors make written submissions on the type of formal review process for the review of the 2008 Revenue Requirements and Rates Application.

G-128-07 PNG (N.E.)

Established a regulatory timetable and requested Intervenors make written submissions on the type of formal review process for the review of the 2008 Revenue Requirements and Rates Application.

G-129-07 BC HYDRO

Approved the Fiscal 2008 Customer Baseline Loads in the CBL F2008 Application on an interim basis effective April 1, 2007.

Pursuant to Letter No. L-85-07, Rate Schedule 1823 customers, whose CBL has been revised, are to confirm in writing by November 9, 2007 whether they agree with or dispute the revised CBL that BC Hydro has proposed for them.

G-130-07 BC HYDRO

Issued the Commission's Decision on Phase I of the Rate Design Application.

G-131-07 FORTISBC

Cancelled the oral public hearing for the Ootischenia Substation Project CPCN Application and established a written public hearing and amended regulatory timetable.

G-132-07 UNOCAL

Accepted for filing on an interim basis the October 2, 2007 Firm Natural Gas Storage Agreement as a Rate for the Aitken Creek Storage Facility between Unocal and Westcoast, effective November 1, 2007.

G-133-07 PNGW

Confirmed that the Preliminary Regulatory Timetable for the Negotiated Settlement Process regarding the 2008 Revenue Requirements and Rates Application.

G-134-07 PNG(NE)

Confirmed that the Preliminary Regulatory Timetable for the Negotiated Settlement Process, regarding the 2008 Revenue Requirements and Rates Application.

G-135-07 UNOCAL

Approved the gas storage agreements and General Terms and Conditions for Firm Natural Gas Storage effective the date of the interim approvals.

Approved, pursuant to Section 88(3) of the Act and subject to paragraphs 3, 4 and 6 of the Order, the exemption from Part 3 of the Act, for the Aitken Creek Storage Facility, except Sections 24, 25, 38, 39, 41, 42, 43, 52, 53 and 54.

G-136-07 SMART ENERGY CORPORATION

Determined that Smart Energy is in violation of Article 8 and Article 9 of the Code of Conduct and ordered, pursuant to Section 71(1) of the Act to pay to the Commission a financial penalty of $1,000.00 each for the six breaches of the Code of Conduct, for a total penalty of $6,000.00.

Ordered Smart Energy to provide retraining and to file a report within 15 days of the date of this Order, stating the number of Salespersons trained and retrained, and provide a summary of the topics covered.

G-137-07 BCTC

Established a Procedural Conference and an Oral public hearing for the review of the Application.

G-138-07 SPECTRA ENERGY TRANSMISSION

Ordered that the exemption approvals given under Order G-30-06 are continued and reissued in the name of Spectra Energy Midstream.

G-139-07 TGVI

Order and Reasons for decision approving the Long-Term Service Agreements with BC Hydro, subject to the parties filing fully executed copies of the amendment to the Peaking Agreement that deletes subsection 3.1(3) and the amendment to the Wheeling Agreement reducing the amount of Coastal Transmission System wheeling capacity provided by TGVI, and the payments by TGVI, to amounts corresponding to the net amount of wheeling capacity that TGVI requires in addition to the wheeling capacity it receives under the Capacity Assignment Agreement.

G-140-07 SMART ENERGY CORPORATION

Ordered, pursuant to Section 71(1) of the Act and the Rules for Gas Marketers, that Smart Energy is prohibited from signing additional customers to sales contracts under the Residential Commodity Unbundling Program, until Smart Energy has demonstrated that it can provide digitally recorded Third Party Verification calls to comply with Order G-73-07.

G-141-07 BC HYDRO

Ordered that access by Special Contract customers to the confidential document as filed in Attachment E of the Zone II Special Contract Rate Application, is restricted to only that particular customer's annual bill impact.

G-142-07 BC HYDRO

Established a written public hearing process and the Regulatory Timetable for the review of the Zone II Special Contract Rate Application.

G-143-07 UNOCAL

Established a Written Hearing and Regulatory Timetable for the review of the ownership and operation of the Aitken Creek Storage Facility Application

G-144-07 SMART ENERGY

Ordered, pursuant to Section 71(1) of the Act, that effective 9:00 am on November 29, 2007, Smart Energy is permitted to sign customers to sales contracts under the Residential Commodity Unbundling Program, subject to conditions noted in the Order.

G-145-07 SUN PEAKS

Approved, pursuant to Sections 60 and 61 of the Act, the following changes effective December 1, 2007:

- Reduce the Commodity Charge for Gas Cost Reconciliation Account recovery from $.73/GJ to $0/GJ
- Increase the Commodity Charge for propane from $15.37/GJ to $17.33/GJ.

G-146-07 TERASEN WHISTLER

Approved the continuation of the current rates and the Rider A adjustment mechanism effective January 1, 2008 and the recording of variances in the Interest Rate Differential deferral account, the Property Tax deferral account, the Sales Margin Differential deferral account and the deferred Return on Equity variance account for 2008 activity.

Approved the O&M reporting format recommended by the Working Group.

Approved the establishment of a non-rate base, non-interest bearing deferral account for the estimated $17,675 ($11,840 after tax) of consulting costs regarding Terasen Whistler's capital structure and ROE.

G-147-07 FORTISBC

Approved the Modified Settlement Agreement for the 2008 Revenue Requirements Application.

G-148-07 ALTAGAS LTD.

Approved, pursuant to Section 88(3) of the Act an Exemption from Part 3 of the Act for Natural Gas Transportation and Processing Facilities subject to paragraphs 2, 3 and 4 of this Order for the Blaine Creek Plant.

G-149-07 TGVI

Approved, pursuant to Section 61 of the Act, the Amending Agreement to the Wheeling Agreement with Terasen gas and the Amended Peaking Agreement with BC Hydro.

Confirmed that the Transportation Service Agreement and the Capacity Assignment Agreement have been approved in full, pursuant to Order G-139-07.

G-150-07 TERASEN GAS

Approved the requested changes as set out in the December 3, 2007 filing of the Fourth Quarter 2007 Gas Cost Report with respect to the Commodity Cost Reconciliation Account and the Midstream Cost Reconciliation Account flow-through, including the Residential and Commercial Commodity Unbundling Deferral Cost Recovery and Stable Commodity Rate Residential Service Deferral Cost Recovery for the Lower Mainland, Inland and Columbia Service Areas, effective January 1, 2008.

G-151-07 BC HYDRO

Established a written hearing process and Regulatory Schedule to review customer disputes regarding the Transmission Service Rates Customer Baseline Loads. Each dispute will be treated as a separate process and held confidential.

G-152-07 TERASEN GAS/TGVI/TGW

Order issuing the Commission's Decision regarding the Terasen/TGVI System Extension and Connection Policies and directing the Utilities to file revised Tariffs incorporating each of the approved and accepted amendments as described in the Decision.

Approved Terasen Whistler's request to delay submission of its proposed System Extension and customer Connection Policies until its conversion from propane to natural gas has been completed.

G-153-07 TERASEN GAS

Order and Reasons for Decision approving the 2008 Revenue Requirements and Delivery Rates Application, pursuant to Sections 58, 60 and 61 of the Act.

G-154-07 TGVI

Order and Reasons for Decision approving the Revised Application for 2008 Rates, 2008 Cost of Service and Revenue Deficiency Deferral Account Balance as at December 31, 2006.

G-155-07 TERASEN GAS

Approved a propane reference price increase of $0.0718 per litre to $0.4260 per litre and an increase of $2.918 per gigajoule in propane rates for customers in Revelstoke service area, effective January 1, 2008.

G-156-07 TERASEN WHISTLER

Approved an increase of $2.682 per gigajoule to $8.108 per gigajoule in Rate Rider A for Whistler customers, effective January 1, 2008.

G-157-07 PNG/PNGNE

Approved for PNG-West a reduction in the current Company use gas price and the Unaccounted for Gas volume deferral account gas cost variance account credit rider of $0.254/GJ to zero, and a reduction in the current Company use gas recovery rate of $0.128/GJ to $0.122/GJ.

Approved for PNG(NE) Fort St. John/Dawson Creek, a reduction in the current Company use gas price and the Unaccounted for Gas volume deferral account gas cost variance account credit rider of $0.0.76/GJ to zero, and an increase in the current Company use gas recovery rate of $0.0.91/GJ to $0.106/GJ.

Approved for PNG(NE) Tumbler Ridge, an increase in the current Company use gas recovery rate from $0.487/GJ to $0.647/GJ.

G-158-07 TERASEN GAS

Established a Preliminary Regulatory Timetable for the review of Fort Nelson Schedule of Rates.

Approved the RSAM rider increase from $0.73/GJ to $0.114/GJ on a permanent basis for Rate 1 Residential, Rate 2.1 Small Commercial, Rate 2.2 Large Commercial, Industrial Service Rates 3.1, 3.2 and 3.3 and Rate 25 General Firm Transportation, effective January 1, 2008 based on a combined federal/provincial income tax rate in 2008 of 31.5 percent.

Approved, pursuant to Section 89 of the Act, the interim refundable average rate increase of 5.8 percent for all sales customers.

G-159-07 KYOQUOT

Approved, pursuant to Section 60 of the Act, request to include the capital and operating expenses for providing services to the Ka:Ōyu:ŌkŌtŌhŌ/Che:k:tles7etŌhŌ First Nations in its cost of service for defining its revenue requirements. Approved the addition of the requested Special Condition to Rate Schedule 1102 to define the Services and the billing arrangement between KPL and KCFN.

G-160-07 FORTISBC

Established a Procedural Conference and draft Regulatory Timetable for the Okanagan Transmission Reinforcement Project.

G-161-07 SMART ENERGY CORPORATION

Prohibited Smart Energy from signing additional customers to sales contracts, effective December 18, 2007, and to provide a filing to the Commission to show cause as to why their licence should not be amended to be limited to the supply of current customers, demonstrating Smart Energy's compliance with Orders A-21-07, G-140-07 and G-144-07.

G-163-07 BCTC

Established a written public hearing process and Regulatory Timetable for the review of the Application to incur capital expenditures to construct the 5L51 and 5L52 thermal upgrade project.

G-164-07 SMART ENERGY CORPORATION

Rescinded Commission Order G-161-07, pursuant to Section 99 of the Act.

G-165-07 PNG-WEST

Approved, pursuant to Section 58 of the Act, the Negotiated Settlement Agreement for the 2008 Revenue Requirements and Rates as issued on December 7, 2007.

G-166-07 BC HYDRO

Approved the amended Customer Baseline Load ("CBL") on an interim basis, effective April 1, 2007, and requested the affected customers to comment on whether or not it disputes the revised CBL.

G-167-07 UNOCAL

Order and Reasons for Decision approving the Unocal Canada Disposition Application, effective January 1, 2008 subject to condition that the Applicants will provide historical cost net book value information on the Storage Facility.

Approved the Aitken Creek ULC CPCN Application, pursuant to Section 45 and 46 of the Act for the operation of the Aitken Creek Storage Facility, effective January 1, 2008, subject to the condition noted above and completion of the transfer of the Aitken Creek Storage Facility to Aitken Creek ULC.

G-168-07 PNG (N.E.)

Approved, pursuant to Section 58 of the Act, the Negotiated Settlement Agreement as issued on December 7, 2007.

G-169-07 BC HYDRO

Established a Negotiated Settlement Process and Regulatory Timetable to review the Application for the Standing Offer Program.

G-170-07 TGVI

Approved, pursuant to Section 50(2) of the Act, the issuance of unsecured debentures in an aggregate principal amount not to exceed $250 million.

G-171-07 BC HYDRO

Order issuing the Commission's Decision with respect to Phases II and III of the Rate Design Application.

G-172-07 BCTC

Established an Oral public hearing, Regulatory Agenda and Community Input Sessions for the Interior to Lower Mainland Transmission Project CPCN Application.

G-173-07 BCTC

Established a Written Hearing Process and Regulatory Timetable for the review of the F2009 to F2018 Transmission System Capital Plan Application.

G-1-08 FORTISBC

Established a written public hearing Process and Regulatory Timetable for review of the Advanced Metering Infrastructure Project CPCN Application.

G-2-08 ICBC

Established a Workshop, Regulatory Timetable and Negotiated Settlement Process to review the Regional Claim Centres Allocation filing.

G-3-08 ICBC

Order issuing the Commission's Decision on the 2007 Revenue Requirements Application approving an increase in the Basic Insurance rates of 3.3 percent for all new and renewal policies with an effective date on or after May 1, 2008.

G-4-08 ICBC

Order issuing the Commission's Decision on the Rate Design for Universal Compulsory Automobile Insurance.

G-5-08 BCTC

Approved the Tariff changes for Contingency Reserve and Spinning Reserve Transmission Service, effective December 1, 2007.

G-6-08 TERASEN GAS/TGVI

Approved the amendment of the definition of a Service Line in the Terms and Conditions of each utility's tariff with respect to charges for system extensions and customer attachment and connections.

G-7-08 TERASEN GAS

Approved, pursuant to Section 61(2) of the Act, revisions to the Gas Tariff pages of Terasen, Terasen Fort Nelson, TGVI and Terasen Whistler, effective December 17, 2007, to replace contact information that is no longer current.

G-8-08 DOCKSIDE GREEN ENERGY

Established a Written Hearing Process and Regulatory Timetable for the review of the Certificate of Public Convenience and Necessity Application to Construct and Operate a District Energy System and approval of the proposed Revenue Requirement, Rate Design and Levelized Rates.

G-9-08 TERASEN GAS

Directed, pursuant to Sections 58, 60 and 61 of the Act, that Terasen use the corporate income tax rate of 31.5 percent in setting 2008 rates including rate riders.

Approved the Earnings Sharing Mechanism, Rate Stabilization Adjustment rider, and the Commodity Unbundling Deferral Costs rider, effective February 1, 2008, using the 31.5 percent tax rate.

G-10-08 BC HYDRO

Determined that the Compliance Filing made in accordance with the Commission's Decision on the 2007 Rate Design - Phase I Application, was deficient and directed the BC Hydro to do the following:

- functionalize DSM as specified in Order G-111-07.
- allocate Powerex Net Income as directed in Order G-111-07 and not to vary the allocation of Powertech Net Income from that contained in the Application.
- identify the Rate Schedules and Terms and Conditions pages as being Original pages.
- calculate the present value of the revenue requirement used in the SET including only the depreciation and return portion of the distribution demand revenue requirement and otherwise comply with the requirements of the Decision as specified at pages 185 through 187.
- refile the items listed in Recital G, incorporating the directions noted above.

G-11-08 BC HYDRO

Approved the amendment to the First Nations Loss Provision Regulatory Asset in Order G-56-06 to record any loss provision(s) under GAAP to recognize any claims made against it by First Nations; to periodically adjust the amounts of any such loss provisions and to carry forward the loss provisions, as adjusted from time to time until the requirement for the loss provision related to settlement with First Nations is no longer required under GAAP.

Ordered BC Hydro to file an application when the settlement is completed for the accounting treatment of the final amount for the aggregate loss provision of any settled claim and the manner in which that amount may be recovered in rates.

G-13-08 BC HYDRO

Approved the amended CBL's contained in the December 11, 2007 Amended Application and the CBL Adjustment Tariff Practice.

G-14-08 CITY OF NELSON

Approved and accepted for filing Electrical Utility Amendment By-Law No. 3088, 2008 incorporating a 2.5 percent rate increase to all customers, effective January 1, 2008.

G-15-08 TGVI

Approved, pursuant to Section 50(2) of the Act, the amendment of Direction 1(a) in Order G-170-07 to read as follows:

"(a) each series of debentures will either (i) have an interest rate that reflects a yield to maturity based on the yield on one or more Government of Canada bonds as at the time of pricing, plus a credit spread not to exceed 100 basis points more than the applicable indicative credit spread set out in Appendix 1 to the Application, or (ii) have an interest rate that does not exceed 5.75% per annum for a series of debentures with a maturity of approximately 5 years, 6.25% per annum for a series of debentures with a maturity of approximately 10 years, or 7.0% per annum for a series of debentures with a maturity of approximately 30 years."

G-16-08 BC HYDRO

Ordered all Intervenors, Interested Parties and all customers affected by the January 24, 2008 Application to amend R1105, 1205, 1206, 1207 and cancellation of RS 1277, to file written submissions on BC Hydro's Application.

G-17-08 BC HYDRO

Approved the establishment of the Procurement Enhancement Initiative Regulatory Asset for the purpose of deferring up to $8.2 million of expenditures incurred in Fiscal Year 2008, plus interest, arising from its Procurement Enhancement Initiative.

G-18-08 BC HYDRO

Ordered BC Hydro to file written submission on the merits of the distribution extension allowances reconsideration request, and established a timeline for Intervenors to file written responses, if any, and BC Hydro's reply submissions, if any.

G-19-08 TERASEN GAS

Established a Written Hearing Process and the Preliminary Regulatory Timetable for the Schedule of Rates for the Fort Nelson Service Area.

G-20-08 BC HYDRO

Accepted the January 30, 2008 Distribution Extension Allowances Reconsideration Application for the reasons set out in the Reasons for Decision.

G-21-08 BC HYDRO

Established a Workshop, Procedural Conference and proposed Regulatory Timetable for the review of the Residential Inclining Block Rate Application, the Transmission Services Rate Application and the F2009 and F2010 Revenue Requirements Application.

G-22-08 BCTC

Approved as interim the rates set out in Table 11-9, column (d) of the F2009-2010 Revenue Requirements Application. The difference between the interim rates and permanent rates are subject to refund with interest pending the issuance of the Commission's Decision.

G-23-08 BCTC

Established a Procedural Conference to address procedural matters and set out a Regulatory Timetable for review of the F2009 and F2010 Transmission Revenue Requirements Application for permanent rates effective April 1, 2008 and April 1, 2009.

G-24-08 CORIX

Accepted, pursuant to Sections 61(4) and 71 of the Act, the filing of the confidential Propane Supply Agreement, and approves a Gas Cost Recovery Charge of $19.367 per gigajoule, effective February 1,

2008. Directed Corix to implement the filing of quarterly GCRA and gas cost reports consistent with the guidelines set out in Letter No. L-5-01 commencing with a report in March 2009 for propane rates effective April 1, 2009.

G-25-08 SPECTRA ENERGY MIDSTREAM

Confirmed the exemptions given under Order G-138-07 and approved a revision to Appendix I to include the West Doe processing and pipeline facilities.

G-26-08 SPECTRA ENERGY MIDSTREAM CORPORATION

Confirmed the exemptions given under Order G-107-07 and approved a revision Appendix 1 to include the West Doe processing and pipeline facilities.

G-27-08 TERASEN GAS

Approved the Revised Application to amend the Schedule of Rates for the Fort Nelson Service Area except as adjusted in Directives 2 and 3 of the Order.

Directed that shared services for 2008 between Terasen Gas and Terasen Fort Nelson are to be allocated on the basis of the number of customers; the cost of the unrecoverable shared services are to be treated as an exogenous factor under the 2004-2007 Multi-Year Performance Based Rate Plan Settlement Agreement and 2008 - 2009 extension.

Approved the requested RSAM adjustments, subject to a recalculation of Rate 25 volumes and margin. Directed Terasen Fort Nelson to recalculate the 2008 revenue deficiency and submit rate change calculations that will take effect on April 1, 2008 for residential and commercial customers and February 1, 2008 for Rate 25 customers.

G-28-08 BC HYDRO

Established a Procedural Conference to review procedural matters regarding the F2009 and F2010 Revenue Requirements Application and Transmission Service Rate Re-Pricing Application and the Residential Inclining Block Rate Application.

G-29-08 BC HYDRO

Established a Workshop, Procedural Conference and Regulatory Timetable to review procedural matters regarding the Transmission Service Rate Re-Pricing Application.

G-30-08 TGVI

Established, pursuant to Sections 45 and 46 of the Act, a written proceeding and Regulatory Timetable to review the confidential Report for the Mt. Hayes Liquefied Natural Gas Storage Project.

G-31-08 BC HYDRO

Established a Workshop, Procedural Conference and Regulatory Timetable to review the 2008 Residential Inclining Block Application.

G-32-08 BC HYDRO

Order and Reasons for Decision approving revisions to Rate Schedule 1105, and the proposals with respect to Rate Schedules 1277 and 1278. Denied BC Hydro's application to revise Special Condition 4 of Rate Schedules 1205, 1206 and 1207.

G-33-08 DOCKSIDE GREEN ENERGY

Approved revisions to the Regulatory Timetable to accommodate Intervenor submissions for the Dockside Green Energy's CPCN Application to Construct and Operate a District Energy System.

G-34-08 BC HYDRO

Approved the Application for Reconsideration of Orders No. G-111-07, G-130-07, G-10-08 and Certain Directions in the 2007 RDA Phase 1 Decision, pursuant to Section 99 of the Act, granting the relief requested by BC Hydro, given the changed circumstances resulting from the letter from the Minister of Energy, Mines and Petroleum Resources. Each of the Rate Rebalancing Orders is varied by adding the provision that "Pursuant to Section 90(1) of the Act, this Order shall come into operation no sooner than the end of the Spring 2008 legislative session".

G-35-08 FORTISBC

Established an Oral public hearing for the regulatory review of the CPCN Application for the Okanagan Transmission Reinforcement Project.

G-36-08 TERASEN GAS

Denied the increase to the propane reference price and propane commodity charges for Revelstoke and ordered that the information in Tab 5 of the Application be kept confidential.

G-37-08 TERASEN WHISTLER

Denied the increase to Rate Rider A and ordered that the information in Tab 5 of the Application be kept confidential.

G-38-08 TERASEN GAS

Approved, pursuant to Section 61(4) of the Act, the proposed flow-through increases to Commodity Cost Recovery Charges for the Lower Mainland, Inland and Columbia Service Areas, effective April 1, 2008 to a rate of $8.287/GJ as set out in the 2008 First Quarter Report.

G-39-08 TERASEN GAS

Approved, pursuant to Section 61(4) of the Act, a $1.594/GJ increase in the Gas Cost Recovery Charge for the Fort Nelson Service Area to $8.462/GJ, effective April 1, 2008 and ordered that the information in Tab 5 of the Application be kept confidential.

G-40-08 BC HYDRO

Order and Reasons for Decision, approving pursuant to Section 89 of the Act, the 6.56 percent across-the-board refundable interim increase in rates, effective April 1, 2008. Approved the refundable interim decrease in the Deferral Account Rate Rider, from 2.0 percent to 0.5 percent, effective April 1, 2008. Approved the interim rate increase and interim decrease in the Deferral Account Rate Rider, both subject to refund with interest at the weighted average cost of debt for BC Hydro's most recent fiscal year.

G-41-08 BC HYDRO

Approved the Transmission Service Rate Re-pricing Tier 2 Rates that shall be set on the basis of a cost of new supply of 7.36 cents/kWh, on an interim and refundable basis, effective April 1, 2008; and the Tier 1 Rates that shall be set in accordance with Order G-34-08 regarding the Rate Rebalancing Reconsideration Application (G-40-08) granting interim refundable relief with respect to the F2009/F2010 Revenue Requirements Application, effective April 1, 2008.Ê

G-42-08 TGVI

Approved the rate increases for Residential General Service of $16.450/GJ which results in a variable rate of $14.325/GJ and Small Commercial Service SCS-1 rate of $18.500/GJ which results in a variable rate of $16.940/GJ, effective April 1, 2008.

G-43-08 BC HYDRO

Approved the Standing Offer Program Settlement Agreement and expenditures in the amount of $514,000.00 required by BC Hydro to conduct the implementation phase of the Standing Offer Program, including administration and program review for the first two years, pursuant to Section 45(6.2)(b) of the Act.

G-44-08 TERASEN GAS

Amended, pursuant to Section 71.1 of the Act, the Code of Conduct and Rules for Gas Marketers, effective March 19, 2008, as set out in the Reasons for Decision.

G-45-08 SMART ENERGY (BC) LTD.

Ordered, pursuant to Section 71.1 of the Act and the Code of Conduct and Rules for Gas Marketers, that within 30 calendar days of the date of this Order, Smart Energy will pay a financial penalty of $3,000 for each of the three breaches of the Code of Conduct, for a total penalty of $9,000.00, as set out in the Reasons for Decision.

G-46-08 ACCESS GAS SERVICES INC.

Ordered, pursuant to Section 71.1 of the Act and the Code of Conduct and Rules for Gas Marketers, that within 30 calendar days, Access Gas will pay a total financial penalty of $1,000.00 for one breach of the Code of Conduct, as set out in the Reasons for Decision.

G-47-08 UNIVERSAL ENERGY CORPORATION

Ordered, pursuant to Section 71.1 of the Act and the Code of Conduct and Rules for Gas Marketers, that within 30 calendar days, Universal will pay a financial penalty of $2,000.00 for the breach of Article 14 and $5,000.00 for the breach of Article 29, for a total of $7,000.00, as set out in the Reasons for Decision.

G-48-08 SUMMITT ENERGY BC LP

Ordered, pursuant to Section 71.1 of the Act and the Code of Conduct and Rules for Gas Marketers, that within 30 calendar days, Summitt Energy will pay a total financial penalty of $1,000.00 for the breach of the Code of Conduct and Articles 9, 16 and 16, as set out in the Reasons for Decision.

G-49-08 SUMMITT ENERGY BC LP

Ordered, pursuant to Section 71.1 of the Act and the Code of Conduct and Rules for Gas Marketers, that within 30 calendar days, Summitt Energy will pay $1,000.00 for the breach of Article 31 of the Code of Conduct, and $5,000.00 for the breach of Article 29 of the Code of Conduct for a total penalty of $6,000.00, as set out in the Reasons for Decision.

G-50-08 PNG-W

Approved for PNG-West increases in Gas Supply Charges for core market sales customers to the rates identified under the hearing "Proposed Gas Commodity April 1, 2008" in Table 5 of the report; and a change in the GCVA commodity rate rider from a credit rider of $0.642/GJ to a debit rider of $0.200/GJ, all effective April 1, 2008.

Approved for the Granisle Division an increase in the propane Gas Supply Charge from $17.333/GJ to $20.280/GJ, effective April 1, 2008.

Denied PNG-West's request to increase the Company use gas cost rate and the commodity price for the Company use gas price deferral account and the Granisle Division request to increase the GCVA commodity debit rider, all effective April 1, 2008.

Approved for the Granisle Division an increase in the propane Gas Supply Charge from $17.333/GJ to $20.280/GJ, effective April 1, 2008.

G-51-08 PNG(N.E.)

Approved the increase in Gas Supply Charges for core market sales customers to the rates identified under the heading "Proposed Gas Commodity" of the Report, effective April 1, 2008, for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions.

Approved a change in the GCVA commodity rate rider from a credit rider of $0.256/GJ to a zero rider, effective April 1, 2008, for the Fort St. John/Dawson Creek Division

Denied the request to increase the Company Use of gas cost rates and commodity prices for the Company use gas price deferral accounts, effective April 1, 2008 in the PNG (NE) Fort St. John/Dawson Creek Division and Tumbler Ridge Division.

G-52-08 BCTC

Approved the Tariff Change to Attachment P: Transmission Service and Interconnection Service Procedures for Competitive Electricity Acquisition Process, effective March 19, 2008.

G-53-08 KYOQUOT

Approved, pursuant to Section 60 of the Act, the requested amendments to Electric Tariff Rate Schedule 1102, effective from the date that KCN provides a second CIAC of $850,000 to KPL.

G-54-08 BCTC

Established a second Procedural Conference and Negotiated Settlement Process and Regulatory Timetable to review the F2009 and F2010 Revenue Requirements application.

G-55-08 SMART ENERGY BC

Ordered, pursuant to Section 71.1 of the Act and the Rules and Code of Conduct for Gas Marketers, that Grant Thornton LLP will perform a Compliance Inquiry on Smart Energy BC.

G-56-08 SUMMITT ENERGY BC LP

Ordered, pursuant to Section 71.1 of the Act and the Rules and Code of Conduct for Gas Marketers, that Grant Thornton LLP will perform a Compliance Inquiry on Summitt Energy BC LP.

G-57-08 UNIVERSAL ENERGY CORPORATION

Ordered, pursuant to Section 71.1 of the Act and the Rules and Code of Conduct for Gas Marketers, that Grant Thornton LLP will perform a Compliance Inquiry on Universal Energy Corporation.

G-59-08 AITKEN CREEK GAS STORAGE ULC

Accepted for filing, pursuant to Sections 59, 61, 90 and 91 of the Act, on an interim basis, the Firm Natural Gas Storage Agreement dated March 12, 2008 between ACGS and Powerex.

G-60-08 CALGAS

Approved, pursuant to Section 61(4) of the Act, the increase in propane charges for customers at the Kicking Horse Mountain Resort, effective April 15, 2008.

G-61-08 BCTC

Amended the Regulatory Timetable established in Order G-172-07 and established that the Interior to Lower Mainland Transmission Project proceeding will be a written process.

C-4-07 FORTISBC

Order and Reasons for Decision granting a CPCN for the construction of the Ellison Project - Option 1 in accordance with the terms contained in the Order and Reasons for Decision.

C-5-07 TERASEN GAS

Order and Reasons for Decision approving the Distribution Mobile Solution Project, effective July 2, 2007, subject to TGI's acceptance of Directive No. 2 of the Order.

C-6-07 UNOCAL

Order and Reasons for Decision denying the Application to permit the interim CPCN to expire, and a CPCN is granted to Unocal for the Aitken Creek Storage Facility, as an amendment to and replacement for the interim CPCN granted by Order G-107-06, effective July 6, 2007.

C-7-07 FORTISBC

Order issuing the Decision granting a CPCN for the construction and operation of the Black Mountain Substation Project.

C-8-07 BC HYDRO

Order issuing the Decision granting a CPCN for the installation of the Revelstoke Unit 5 Project with a targeted in-service date of October 2010.

C-9-07 TGVI

Order and Reasons for Decision granting a CPCN for the Mt. Hayes Liquefied Natural Gas Storage Project and approval of a Storage and Delivery Agreement with Terasen Gas.

C-10-07 FORTISBC

Order and Reasons for Decision granting a CPCN for the Ootischenia Substation Project.

C-11-07 FORTISBC

Order and Reasons for Decision granting a CPCN for the Distribution Substation Automation Program.

Natural Gas Marketer Licences

A-6-07 SUPERIOR ENERGY MANAGEMENT

Issued a Gas Marketer License for the period April 12, 2007 to October 31, 2007.

A-7-07 SMART ENERGY (BC) LTD.

Issued a Gas Marketer License for the period April 19, 2007 to October 31, 2007.

A-8-07 SUMMITT ENERGY BC L.P.

Issued a Gas Marketer License for the period April 19, 2007 to October 31, 2007.

A-9-07 ACTIVE ENERGY ULC

Issued a Gas Marketer License for the period April 6, 2007 to October 31, 2007.

A-10-07 WHOLESALE ENERGY GROUP LTD.

Issued a Gas Marketer License for the period April 6, 2007 to October 31, 2007.

A-11-07 DIRECT ENERGY MARKETING LIMITED

Amended Gas Marketer Licence No. A-3-07 to reflect DEML's business operating names: Direct Energy Business Services for commercial customers and Direct Energy for residential customers.

A-12-07 TAHOE ENERGY INC.

Issued a Gas Marketer License for the period May 18, 2007 to October 31, 2007.

A-13-07 CORAL ENERGY CANADA INC.

Issued a Gas Marketer License for the period July 31, 2007 to October 31, 2007.

A-14-07 AG ENERGY COOPERATIVE LTD.

Issued a Gas Marketer License for the period July 5, 2007 to October 31, 2007.

A-15-07 AG ENERGY COOPERATIVE LTD.

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-16-07 NEXEN MARKETING

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-17-07 ACCESS GAS SERVICES INC.

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-18-07 MXENERGY (CANADA) LTD.

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-19-07 WHOLESALE ENERGY GROUP

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-20-07 PREMSTAR ENERGY CANADA LIMITED PARTNERSHIP

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-21-07 SMART ENERGY (BC) LTD.

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-22-07 CEG ENERGY OPTIONS INC.

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-23-07 ACTIVE ENERGY ULC

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-24-07 PLANET ENERGY (B.C.) CORPORATION

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-25-07 SUMMITT ENERGY BC LP

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-26-07 DIRECT ENERGY MARKETING LTD.

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-27-07 ES (B.C.) LIMITED PARTNERSHIP

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-28-07 SHELL ENERGY NORTH AMERICA (CANADA) INC.

Issued a Gas Marketer License for the period November 1, 2007 to October 12, 2008.

A-29-07 SUPERIOR ENERGY MANAGEMENT GAS LP

Issued a Gas Marketer License for the period November 1, 2007 to October 31, 2008.

A-30-07 UNIVERSAL ENERGY CORPORATION

Issued a Gas Marketer License for the period November 1, 2007 to October 4, 2008.

A-1-08 DIRECT ENERGY MARKETING LIMITED

Approved, pursuant to Section 71.1(6) of the Act, the acquisition of the residential customers currently under Gas Marketers agreements with Planet Energy.

A-2-08 ACTIVE ENERGY ULC

Amended Licence No. A-23-07 to reflect the name change from Active Energy ULC to Active Renewable Energy Marketing Ltd.

A-3-08 DIRECT ENERGY MARKETING LTD.

Amended Licence No. A-26-07 to recognize the change of the sub-brand operating name from Direct Energy Business Services to Direct Energy Business.

A-4-08 DIRECT ENERGY MARKETING LIMITED

Rescinded, pursuant to Section 99 of the Act, Order A-1-08 cancelling the proposed transfer of Planet Energy's Residential Gas Marketer contracts to Direct Energy.

A-5-08 ACCESS GAS SERVICES INC.

Approved, pursuant to Section 71.1(6) of the Act, the acquisition of the residential customers currently under Gas Marketer agreements with Planet Energy.

Other Orders

ENERGY SUPPLY CONTRACTS

E-9-07	TERASEN GAS	AECO Gas Storage Partnership Gas Electronic Data Interchange (EDI) Base Contract
E-10-07	TERASEN GAS	Louis Dreyfus Canada Gas Electronic Data Interchange (EDI) Base Contract
E-11-07	TERASEN GAS	Oxy Energy Canada Inc. Gas Electronic Data Interchange (EDI) Base Contract
E-12-07	TERASEN GAS	Sempra Energy Trading Corp. Gas Electronic Data Interchange (EDI) Base Contract
E-13-07	TERASEN GAS/TGVI	Exercise Option Under the Mist Interstate Storage Agreement
E-14-07	TERASEN GAS	Natural Gas Storage Contact with Northwest Natural Gas Company for Mist Storage Services and Related Gas Transportation Agreement with Northwest Pipeline Company for TF-1 Transportation Service
E-15-07	TERASEN GAS	Storage Contracts and Related Transportation Agreements with IGI Resources Inc. and Avista Energy Inc.
E-16-07	STARGAS	Natural Gas Supply and Management Services Agreement with Direct Energy Marketing Limited
E-17-07	TERASEN GAS	Firm Natural Gas Storage Agreement with Unocal Canada Limited for the Aitken Creek Storage Facility
E-18-07	TERASEN GAS	National Bank of Canada Gas Electronic Data Interchange (EDI) Base Contract
E-19-07	BC HYDRO	Amending Agreements to the Electricity Purchase Agreements and Contractual Developments related to Electricity Purchase Agreements for Haver Creek, Bear Mountain Wind and Gold River Power
E-20-07	BC HYDRO	Amending Agreements to Electricity Purchase Agreements for East Twin Creek and Hystad Creek
E-21-07	TERASEN GAS/TGVI	Storage and Related Transportation Agreements for Mist Storage
E-22-07	BC HYDRO	2006 Water Rights Agreement with the City of Nelson
E-23-07	BC HYDRO	Amending Agreements to Electricity Purchase Agreements for Gold River Power and East Toba and Montrose
E-24-07	TERASEN GAS	Macquarie Cook Energy Canada Ltd. Gas Electronic Data Interchange Base Contract

ENERGY SUPPLY CONTRACTS
(Continued)

E-25-07	**TERASEN GAS**	Natural Gas Supply Contracts for the period 2007 - 2008 (Baseload, Summer & Winter Seasonal and the Fort Nelson Baseload Supply)
E-26-07	**TGVI**	Storage and Peaking Natural Gas Supply Contracts for 2007/08
E-27-07	**PNG**	2007/2008 Natural Gas Supply Contracts
E-1-08	**TERASEN GAS**	Application for the Portland General Electric Company Gas Electronic Data Interchange (EDI) Base Contract
E-2-08	**TGVI**	Filing of the 2007 Electricity Purchase Agreement with Alcan Inc. as an Energy Supply Contract Pursuant to Section 71
E-3-08	**BC HYDRO**	Filing of the 2007 Electricity Purchase Agreement with Alcan Inc. as a Energy Supply Contract Pursuant to Section 71
E-4-08	**BC HYDRO**	Filing of Amending Agreements to Electricity Purchase Agreements and Contractual Developments related to Electricity Purchase Agreements
E-5-08	**TERASEN GAS**	Natural Gas Supply Contracts for the period of April 1, 2008 to October 31, 2008

PARTICIPANT ASSISTANCE/COST AWARDS

F-8-07	**BC HYDRO**	CPCN for the Aberfeldie Redevelopment Project - $6,373.61
F-9-07	**FORTISBC**	Acquisition of the Issued and Outstanding Shares of Terasen Inc. - $2,687.10
F-10-07	**BC HYDRO**	2006 Integrated Electricity Plan (IEP) and the 2006 Long-Term Acquisition Plan (LTAP) - $705,047.04
F-11-07	**TERASEN GAS**	Extension to the 2004 to 2007 Multi-Year Performance Based Rate Plan for 2008 and 2009 - $2,988.88
F-12-07	**TGVI**	Extend the Terms of 2006 and 2007 Negotiated Settlement to 2008 and 2009 - $2,988.88
F-13-07	**PNG-WEST**	2007 Revenue Requirements and Rates - $11,607.60
F-14-07	**PNG (N.E.)**	2007 Revenue Requirements and Rates for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions - $7,075.50
F-15-07	**FORTISBC**	CPCN for the Ellison Substation Project - $30,850.51
F-16-07	**FORTISBC**	CPCN for the Black Mountain Substation Project - $16,655.48
F-17-07	**BC HYDRO**	CPCN for the Revelstoke Unit 5 Project - $14,649.20

PARTICIPANT ASSISTANCE/COST AWARDS
(Continued)

F-18-07	**TERASEN ENERGY MARKETING INC.**	Gas Marketer License Application - $1,908.00
F-19-07	**BCTC**	Transmission System Capital Plan F2008 to F2017 - $19,946.30
F-20-07	**BCTC**	Allowance for Funds Used During Construction Accounting Treatment and Proposed Disposition of the F2008 Forecast Revenue Sufficiency & F2008 Financial Information Filing - $1,510.50
F-21-07	**FORTISBC**	Rate Design on the Big White Supply Project - $10,732.41
F-22-07	**FORTISBC**	Customer Complaints regarding the proposed site of Naramata Substation Project - $16,539.81
F-23-07	**UNOCAL**	Exemption from all Provisions of the UCA for the Aitken Creek Storage Facility - $17,933.03
F-24-07	**BC HYDRO**	2007 Rate Design Application - Phase I - $326,557.70
F-25-07	**TGVI**	Long-Term Service Agreements with BC Hydro - $4,945.75
F-26-07	**BC HYDRO**	2007 Rate Design - Phase I - Reconsideration of Order F-24-07 PACA ~ $410.40
F-1-08	**TERASEN GAS**	2007 Annual Review and 2008 Revenue Requirements and Delivery Rates - $3,645.00
F-2-08	**TGVI**	2008 Revenue Requirements, 2008 Cost of Service, and Revenue Deficiency Deferral Account Balance - $3,445.75
F-3-08	**BC HYDRO**	2007 Rate Design Application Ð Phase II - $23,595.55
F-4-08	**BC HYDRO**	Reconsideration of Order F-24-07 on PACA for Heiltsuk Tribal Council/Shearwater Marine Ltd. - $0.0
F-5-08	**FORTISBC**	CPCN for the Distribution Substation Automation Program - $2,536.00
F-6-08	**FORTISBC**	CPCN for the Ootischenia Substation Project - $2,509.50
F-7-08	**TERASEN GAS/ TGVI**	Application to Amend the System Extension and Connection Policies - $3,756.50
F-8-08	**FORTISBC**	2007 Annual Review, 2008 Revenue Requirements and Negotiated Settlement Process - $10,894.60
F-9-08	**BC HYDRO**	2007 Rate Design Application - Phase III - $8,667.00

PARTICIPANT ASSISTANCE/COST AWARDS
(Continued)

F-10-08	**UNOCAL**	Disposition of Interest in the Aitken Creek Storage Facility to its Wholly-Owned Subsidiary the Aitken Creek Storage ULC CPCN and Exemption Order Applications - $1,397.50
F-11-08	**ICBC**	2007 Revenue Requirements for Universal Compulsory Automobile Insurance and Rate Design for Universal Compulsory Automobile Insurance - $55,635.14
F-12-08	**TGVI**	CPCN for Mt. Hayes Liquefied Natural Gas Storage Project - $14,876.75
F-13-08	**BC HYDRO**	2007 Electricity Purchase Agreement with Alcan as an Energy Supply Contract pursuant to Section 71 - $55,614.40

PETROLEUM

P-2-07	**TRANS MOUNTAIN**	2008 Tolls and Accelerated Depreciation - Pre-hearing Conference
P-3-07	**TRANS MOUNTAIN**	2008 Tolls and Accelerated Depreciation - Suspension of Proceeding
P-4-07	**PLATEAU**	2007 Tolls for the Western System - Interim Rates
P-5-07	**TRANS MOUNTAIN**	2008 Tolls and Accelerated Depreciation - Proceeding Timetable
P-6-07	**PLATEAU**	2007 Western System Tolls - Filing Extension
P-7-07	**TRANS MOUNTAIN**	2008 Tolls and Accelerated Depreciation - Written Hearing and Timetable
P-8-07	**PLATEAU**	2007 and 2008 Western System Tolls - Public Hearing and Timetable
P-1-08	**PLATEAU**	Approval of the 2007 and 2008 Western System Tolls
P-2-08	**PLATEAU**	Approval of 2008 Tolls for the Northeast BC and Blueberry Crude Oil Pipelines
P-3-08	**TRANS MOUNTAIN**	Approval of Tolls and Accelerated Depreciation with Reasons for Decision
P-4-08	**PLATEAU**	Revised Tariff on the Taylor to Dawson Creek Pipeline

Commission Letters

L-28-07 UNOCAL

Denied Unocal's request to strike document prepared by Mr. Wightman in the Aitken Creek Storage Facility Exemption Application.

L-29-07 BC HYDRO

Denied the application of Sierra Club of Canada/BC et al. for a reconsideration of the PACA decision in Order F-3-07.

L-30-07 BC HYDRO

Denied the application of Sierra Club of Canada/BC et al. for a reconsideration of the PACA decision in Order F-5-07.

L-31-07 TERASEN GAS

Letter accepting the calculation of incentive payments and issuing the Commission staff report entitled "Gas Supply Mitigation Incentive Program (GSMIP) for 2005/06".

L-32-07 TERASEN GAS

Letter responding to MxEnergy's request for voice contracting for customer enrollment, review of the Code of Conduct and clarification on process for a useful validation tool to both control the presentation of sales agents and confirm of the terms of the contract presented to the customer.

L-33-07 TERASEN GAS

Letter to all gas marketers instructing them to provide current information to the Terasen Gas market pricing depository website.

L-34-07 SILVERSMITH

Letter denying the request for a reconsideration of the Decision in Letter No. L-3-07 regarding the service area encroachment by BC Hydro.

L-35-07 BIG WHITE

Letter accepting BWGU's request for an extension to September 30, 2007 for the filing of its amended Revenue Requirements Application.

L-36-07 TERASEN WHISTLER

Letter accepting the 2007/08 Price Risk Management Plan (PRMP) and directed Terasen Whistler to provide a report by May 1, 2008 that identifies the financial outcome of the plan and an analysis of the results compared to the objectives of the 2007/08 PRMP.

L-37-07 TERASEN GAS

Letter accepting the Revelstoke Service Area Price Risk Management Plan 2007 - 2008, but directed to provide a report by May 1, 2008 that identifies the financial outcome of the plan and an analysis of results compared to the objectives of the 2007 PRMP.

L-38-07 TERASEN GAS

Letter directing Terasen to implement the components in its 2007 Price Risk Management Plan as set out in the confidential Appendix A.

L-39-07 BC HYDRO

Letter accepting the E-Plus Customers Group Information Request No. 1 for filing, and amending the date for BC Hydro's response to respond to June 8, 2007.

L-40-07 FORTISBC

Letter establishing the Notice of Location and Time of the Oral public hearing and Hearing Issues List for the Naramata Substation proceeding.

L-42-07 ICBC

Letter confirming that Paragraphs 22 and 29 of Chapter 5 of the Revenue Requirements application are actuarial matters to be reviewed in the Oral public hearing, and that the rest of Chapter 5 consists of non-actuarial matters to be reviewed in the Written Hearing process.

L-43-07 TERASEN GAS

Accepted the 2007 Second Quarter Gas Cost Report and its recommendation that customer rates remain unchanged for the Lower Mainland, Inland and Columbia service areas.

L-44-07 TERASEN GAS

Accepted the 2007 Second Quarter Gas Cost Report and the recommendation that customer rates remain unchanged for the Fort Nelson service areas.

L-45-07 TGVI

Accepted the 2007 Second Quarter Gas Cost Report and the recommendation that customer rates remain unchanged for the period of July 1 to September 30, 2007 for the Vancouver Island and the Sunshine Coast service areas.

L-46-07 UNOCAL

Letter requesting Intervenor / Interested Party comments on Unocal's request to allow the interim CPCN for the Aitken Creek Storage Facility to expire.

L-47-07 UNOCAL

Letter clarifying the Commission's Reasons for Decision and draft Order responding to Unocal's application for exemption from all provisions of the Act for the Aitken Creek Storage Facility. The Commission's May 14, 2007 request to the Lieutenant Governor in Council for approval to grant an exemption is to be held pending completion of the written comment process set out in Letter No. L-46-07.

L-48-07 TGVI

Accepted the 2007 Price Risk Management Plan for the period of November 2007 to October 2010.

L-49-07 PNGW/PNG(N.E.)

Letter acknowledging receipt of the 2007 Second Quarter Gas Cost Report for PNG-West, Granisle Propane, Fort St. John, Dawson Creek and Tumbler Ridge service areas. Accepted the recommendations that the customer rates remain unchanged effective July 1, 2007 for all of the services areas.

L-50-07 PNGW

Letter accepting for filing the 2007/08 Annual Gas Contracting Plan, and Price Risk Management Plan setting out the gas supply resources for the PNG-West, Fort St. John/Dawson Creek and Tumbler Ridge areas.

L-51-07 AVISTA ENERGY CANADA LTD.

Letter approving the cancellation of Gas Marketer License A-5-06 and request for the return of the Letter of Credit S061370.

L-52-07 TAHOE ENERGY INC.

Letter approving the cancellation of Gas Marketer License A-12-07 and request for the return of the Letter of Credit P365130C11632.

L-53-07 ES (BC)

Letter responding to Energy Savings BC's formal complaint about the marketing tactics of Wholesale Energy Group Ltd. where the Commission will review the violation of the Code of Conduct for Gas Marketers.

Established a written hearing and Regulatory Timetable for resolution of the complaint.

L-54-07 UNIVERSAL ENERGY CORPORATION

Letter responding to Universal's formal complaint about the marketing tactics of CEG Energy Options Inc. where the Commission will review the violation of the Code of Conduct for Gas Marketers.

Established a written hearing and Regulatory Timetable for resolution of the complaint.

L-55-07 UNIVERSAL ENERGY CORPORATION

Letter responding to Universal's formal complaint about the marketing tactics of Wholesale Energy Group Ltd. where the Commission will review the violation of the Code of Conduct for Gas Marketers.

Established a written hearing and Regulatory Timetable for resolution of the complaint.

L-56-07 PACIFIC WAY FOUNDATION

Letter directing Pacific Way Foundation to respond to outstanding questions from the Commission's letter of June 8, 2007.

The Commission recommended Pacific Way to immediately cease its current marketing activities which may be in contravention of Section 71.1 of the Act and to complete the License Application form with application fee and Letter of Credit by July 13, 2007.

L-57-07 BC HYDRO

Letter amending the process to allow the Panel to hear the Heiltsuk application for the production of the agreements between Central Coast Power Corporation and BC Hydro following the Chair's opening statement at the rate design proceeding.

L-58-07 TERASEN GAS

Accepted the confidential 2007/08 Annual Contracting Plan and items listed on pages 35 to 36 noting the major portfolio changes.

L-59-07 TGVI

Accepted the 2007/08 Annual Gas Contracting Plan and acknowledged that the primary objectives are consistent with previous years' filings.

L-60-07 BC HYDRO

Denied ESVI's request for Reconsideration of the reduced PACA funding previously awarded under Order F-10-07.

L-61-07 TERASEN GAS

Approved an extension to the filing deadline of the System Extension and customer Connection Policies Report to July 31, 2007, to allow Terasen Gas, TGVI and Terasen Whistler to submit a combined, consolidated Report.

L-62-07 SUN PEAKS

Accepted Sun Peaks' recalculated 2006/07 revenue requirement including the five Regulatory Schedules and the refund estimate for November 1, 2006 to April 30, 2007.

Accepted Sun Peaks proposal to apply the difference between the revenue collected at 2006/07 interim rates compared to the approved permanent rates as a credit to the Gas Cost Recovery Account.

L-63-07 PNG

Letter confirming that PNG intends to record the temporary repair costs for the MP302 Pipeline Break in the pre-existing Line Break Costs Deferral Account, to be amortized over ten years. PNG is to report on the permanent repair plan, the actual plant losses and its proposed regulatory accounting treatment as part of the 2008 Revenue Requirements Application.

L-64-07 TERASEN GAS/TGVI

Denied the Vancouver Island Gas Joint Venture's request for Orders regarding two matters related to the TGVI and Terasen Gas Mt. Hayes LNG Storage Project regarding the linkage of increase in ROE to CPCN and inadequate responses to Information Requests.

L-65-07 FORTISBC

Letter amending the filing dates for Intervenor Final Argument and FortisBC Reply Argument in the Naramata Substation Customer Complaints review.

L-66-07 UNIVERSAL ENERGY CORPORATION

Determined that the Third Party Verification script is deficient and not in compliance with Order G-73-07.

L-67-07 TERASEN WHISTLER

Letter accepting the filing of the 2007 Third Quarter Gas Cost Report and the recommendation that Rider A and customer rates remain unchanged.

L-68-07 TERASEN GAS

Letter accepting the modification of the hedging limits as being consistent with in the 2007-2010 Price Risk Management Plan.

L-69-07 COLUMBIA ENERGY INC.

Letter to CIBC accepting the immediate termination of the Letter of Credit number SBGV730325.

L-70-07 PNG

Letter accepting the recommendation that the current Gas Supply Charges and Gas Cost Variance Account riders for PNG-West and PNG (N.E.) for Fort St. John / Dawson Creek systems remain unchanged.

Accepted the current propane commodity rate and GCVA commodity debit rate rider for the Granisle division would remain unchanged.

L-71-07 TERASEN GAS

Letter accepting the Revelstoke Service Area 2007 Third Quarter Gas Cost Report and the recommendation that no changes be made to the propane reference price and propane rates.

L-72-07 TERASEN GAS

Letter accepting the 2007 Third Quarter Gas Cost Report for the Fort Nelson service area and the recommendation that customer rates remain unchanged.

L-73-07 TGVI

Letter accepting filing of the 2007 Third Quarter Gas Cost Report and the recommendation that customer rates remain unchanged for the period of October 1 to December 31, 2007 for the Vancouver Island and the Sunshine Coast service areas.

L-74-07 BC HYDRO

Letter responding to a complaint regarding the supply of power and metering arrangements and the Commission's interpretation of the BC Hydro Tariff.

L-75-07 BCTC

Letter requesting comments on BCTC's responses to Undertakings for the F2007 Transmission Revenue Requirements Application - Negotiated Settlement regarding the possible conflict with Item 11 of Order G-139-06 and if a complete audit on transmission asset condition assessments should be done every three years.

L-76-07 ICBC

Letter reopening the record for the 2007 Revenue Requirements proceeding solely for the purpose of filing errata to correct the record on the filing of Information Request 2007.2 RR IBC.83.1.

L-77-07 TERASEN GAS

Letter requesting the filing of the endorsed copy of the Operating Agreement for the supply and distribution of natural gas service within the District of Chetwynd, in accordance with Order G-17-06 and the Reasons for Decision.

L-78-07 FORTISBC

Letter denying the request for a reconsideration of Commission Order F-15-07 regarding the cost award funding for the Concerned Citizens of Quail Ridge and Lochrem Road.

L-79-07 TGVI

Letter requesting comments on the type of regulatory review process for the filing of a series of long term service agreements with BC Hydro which are comprised of the Transportation Service Agreement between TGVI and BC Hydro, Peaking Agreement between BC Hydro and TGVI, and the Capacity Assignment Agreement (ÒCAAÓ) between TGVI, BC Hydro and Terasen Gas Inc.

L-80-07 TERASEN GAS

Letter accepting the modification of the hedging rigger prices as being consistent with the 2007-2010 Price Risk Management Plan.

L-81-07 FORTISBC

Letter accepting the September 28, 2007 report, regarding the alignment of the Ellison Feeder 4 and approving the amended filing dates noted in Order C-4-07.

L-82-07 ICBC

Approved revisions to the Owner's Certificate that will show the exact amount of the Premium tax amount and to display Road Safety and Driver Services as the average dollar amount that each individual customer pays with an implementation date of January 1, 2008.

L-83-07 BC HYDRO

Letter defining the scope of both the proceeding and the oral hearing regarding the filing of the Electricity Purchase Agreement with Alcan Inc.

L-84-07 ICBC

Letter discussing the review process for the ICBC Regional Claims Centres Allocation Application.

L-85-07 BC HYDRO

Letter to Rate Schedule 1823 customers, whose Customer Baseline Load (CBL) had been revised, to confirm in writing, whether they agree with or dispute the revised CBL. Issued concurrently with this letter was Order G-129-07 approving the CBLs in the column titled "CBL for Final Approval FY08".

L-86-07 BC HYDRO

Letter requesting all parties who had submitted budget estimates for the 2007 Rate Design Application Phase I and who had participated in Phase II proceeding to file their PACA applications for a cost award by November 13, 2007.

L-87-07 TECK COMINCO METALS LTD.

Denied Teck Cominco's request for an exemption from purchasing power under Rate Schedule 1823.

L-88-07 BC HYDRO

Letter responding to complainant regarding supply of power and metering arrangements.

L-89-07 BC HYDRO

Letter proposing that the submissions contemplated by Order G-92-07 be made in writing within five business days from the date the Decision on Phase II of the Rate Design Application is issued.

L-90-07 BC HYDRO

Letter to Participants in the 2007 Electricity Purchase Agreement with Alcan Inc. proceeding advising that Opening Statements should not introduce new evidence.

L-91-07 TERASEN GAS

Accepted the amendment of the Transportation Service Agreement effective January 1, 2007 as described in Section 2.4 of the Termination Agreement.

Accepted the Second Revision of Page D-6 Tariff, pursuant to Section 5.3 of the Termination Agreement and Sections 8 and 9 of the Special Direction No. 3 to include "Squamish" within the defined area of the Lower Mainland Service Area, effective January 1, 2007.

Accepted the First Revision of Frontispiece formally cancelling the TGS Gas Tariff, effective January 1, 2007.

L-92-07 BCTC

Letter responding to the proposals set out in BCTC's response to Undertakings regarding the F2007 Revenue Requirements Negotiated Settlement.

L-93-07 TERASEN GAS/FORTISBC/PNG

Letter setting the 2008 allowed return on common equity at 8.62 percent for a low-risk benchmark utility.

L-94-07 BC HYDRO

Denied Goldcorp's request for an exemption from Rate Schedule 1823 for its Equity Mine. Goldcorp is to advise whether it wishes to dispute its CBL, pursuant to Letter No. L-85-07.

L-95-07 BC HYDRO

Decision regarding impacts on water flows arising from the 2007 Electricity Purchase Agreement.

L-96-07 TERASEN GAS

Approved the incurrence of indebtedness of up to $500 million under the Term Credit Agreement with CIBC.

L-97-07 UNOCAL

Extended the filing dates for written submissions with respect to the Unocal/Aitken Creek ULC Applications related to the Disposition of Interest, CPCN and Exemption for the Aitken Creek Storage Facility.

L-98-07 TERASEN GAS

Accepting the 2007 Fourth Quarter Gas Cost Report for the Fort Nelson Service area and the recommendation that customer rates remain unchanged as of January 1, 2008.

L-99-07 PLATEAU PIPELINE LTD.

Letter acknowledging Plateau's notification that the parties (Plateau, Husky Oil and Chevron Canada) were unable to reach a Negotiated Settlement regarding the Western System Tolls and requesting submissions from the parties regarding the type and content to further review the Application.

L-100-07 TGVI

Letter accepting for filing the Fourth Quarter Report on Gas Costs and the Annual Revenue Surplus / Deficiency forecast regarding the Vancouver Island & Sunshine Coast service areas.

L-101-07 BC HYDRO

Letter to Intervenors in the 2007 Rate Design Phase I proceeding enclosing the BC Old Age Pensioners Organization et al.'s application for Reconsideration of the Commission's October 26, 2007 Decision and requesting submissions on whether the threshold for reconsideration, as set out in the Commission's Reconsideration Criteria, has been met.

L-102-07 FORTISBC

Approved the undergrounding of a section of the Ellison Feeder 4 line on the condition that the local residents provide satisfactory commitments to pay in full the additional costs of undergrounding by March 31, 2008. If satisfactory commitments are not received, the alignment of Ellison Feeder 4 as described in Attachment A to the November 7, 2008 Application is approved.

L-103-07 BC HYDRO

Letter requesting BC Hydro to provide each RS 1823 customer with copy of letter and Order G-166-07 and the proposed new CBL Adjustment Tariff Practice by January 7, 2008. Customers are invited to comment on the proposed new CBL Adjustment Tariff Practice by January 21, 2008. Customers whose F2008 DBC has been revised are to advise the Commission whether or not they dispute the further CBL revision.

L-104-07 ICBC

Letter acknowledging and accepting receipt of the 2007/2008 Enterprise Content Management IT Capital Report as meeting the July 13, 2006 Decision Directive. ICBC is to file a report that shows the quantified content management infrastructure benefits that result from the first application upon implementation of the ECM technology.

L-1-08 BC HYDRO

Denied BCOAPO's application of December 6, 2007 requesting a reconsideration of certain Orders in the October 26, 2007 Decision regarding the 2007 Rate Design Application.

L-2-08 ICBC

Letter amending the Regulatory Timetable to reschedule the dates of the Workshop and Negotiated Settlement Process for the Regional Claim Centres Allocation proceeding.

L-3-08 FORTISBC

Letter amending the start time of the Procedural Conference for the Okanagan Transmission Reinforcement Project CPCN Application.

L-4-08 PLATEAU

Letter amending the Regulatory Timetable and Agenda dates for the Application for Approval of the 2007 and 2008 Western System Tolls.

L-5-08 BC HYDRO

Determined that the reconsideration with respect to certain orders and directions related to the 2007 Rate Design Application Phase 1 Decision should proceed directly to Phase 2 and established a regulatory timetable for the filing of submissions.

Established a regulatory timetable for submissions regarding the interim relief sought in the F2009 and F2010 Revenue Requirements Application and the Transmission Service Rate Application.

L-6-08 BCTC

Reasons for Decision determined that with respect to the First Nations Scoping Issue the Commission Panel for the Interior to Lower Mainland Transmission Project should not consider the adequacy of consultation and accommodation efforts when deciding whether to grant a CPCN for the project.

L-7-08 PLATEAU PIPELINE LTD.

Letter suspending the remaining dates in the Amended Regulatory Agenda and Timetable for the 20076/2008 Western System Tolls proceeding.

L-8-08 TERASEN GAS

Letter ordering Terasen Gas to recalculate the CEG delivery requirements for August and provide the Daily Commodity Quantity calculation for each CEG customer group and the total DCQ for CEG.

L-9-08 FORTISBC

Letter granting an extension for filing South Okanagan For Alternate Routes' Information Request No. 1 to March 31, 2008 on the Okanagan Transmission Reinforcement Project.

L-10-08 BCTC

Letter denying TRAHVOL's request for Reconsideration of the Vancouver Island Transmission Reinforcement Project (VITR) Decision, Order C-4-06, as it did not meet the criteria for reconsideration.

L-11-08 ACCESS GAS SERVICES INC.

Denied the request for Reconsideration of the Reasons for Decision in Order G-46-08 regarding the breach of the Code of Conduct for Gas Marketers Articles 9, 15, and 16.

Publications

Copies of the following publications are available upon request or from the Commission's web site at *http://www.bcuc.com* :

- Utilities Commission Act, R.S.B.C. 1996, Ch. 473
- Introduction to the BC Utilities Commission - what it is, what it does, and why (pamphlet)
- Public Hearing Process - why we have public hearings and how to participate (pamphlet)
- Complaint Handling Procedures (pamphlet)
- Understanding Utility Regulation: A Participants' Guide to the British Columbia Utilities Commission
- Retail Markets Downstream of the Utility Meter Guidelines
- Resource Planning Guidelines
- Negotiated Settlement Procedures
- Guidelines for Certificate of Public Convenience and Necessity Applications
- Setting Gas Recovery Rates and Managing the Gas Cost Reconciliation Balance Guidelines

Copies of the following documents issued by the Commission are also available upon request or from the Commission's web site:

- Orders
- Decisions
- Regulatory Agendas
- Annual Reports
- Participant Assistance Cost Award Guidelines - Revised
- Service Plans
- Return on Common Equity

Commission Contacts

For further information about these items or the Commission's activities, please contact the Information Services Group at:

Telephone:	(604) 660-4700
BC Toll Free:	1-800-663-1385
Facsimile:	(604) 660-1102
Email:	commission.secretary@bcuc.com

Web Site

Internet users are invited to visit the Commission's web site at *http://www.bcuc.com.*

Glossary of Terms

allowance for funds used during construction (AFUDC)	The amount a regulated entity is allowed to earn to recover its cost of financing assets under construction. AFUDC is equal to the average cost of the construction work in process, times a financing rate which is usually equal to the entity's cost of capital rate. AFUDC is not recovered immediately through rates; it is included in the cost of the related assets and recovered in future periods through the depreciation charge.
allowed rate of return	The rate of return a regulated entity is allowed the opportunity to earn. When applied to the rate base, the allowed rate of return provides an amount equal to the cost of financing the investment required for regulated operations. The financing costs include both the cost of debt and the cost of equity.
alternative dispute resolution (ADR)	See "negotiated settlement process".
application for reconsideration	An application to have the Commission reconsider, vary, or rescind a decision or order previously issued.
burnertip rate	The rate charged for gas at the customer's meter, including the delivery charge, fixed monthly charge and gas commodity charge. It is usually calculated as an annual average rate based on typical annual consumption for the customer class.
capital cost	The fixed costs associated with the construction of an energy facility, including land and siting costs, material and labour costs, allowance for funds used during construction, and other applicable overhead charges.
cogeneration	The generation of electric power in conjunction with the use of steam in an industrial or space heating process, using waste heat from one process to drive the other. Cogeneration is more efficient compared to traditional thermal generating plants.
commercial commodity unbundling (also see 'residential commodity unbundling')	the program provides commercial customers (Rates 2, 3 and 23) of Terasen Gas Inc. with the opportunity to enter into a natural gas commodity supply arrangement with a licensed gas marketer.
common carrier(s)	An energy transportation provider, typically a crude oil or natural gas pipeline which provides service on a non-discriminatory basis to all potential shippers.

cost of service	The total cost of providing service, including operating and maintenance expenses, depreciation, amortization, taxes and cost of capital. The cost of service is also known as "revenue requirements".
cost of service study	A study to determine the cost of service by class of service and/or customer. These studies are used to help determine how the revenue requirements are to be allocated among the rates for the various services/customers.
cross subsidization	Increasing the rates for one service or class of customers so the rates of another service or class of customers can be reduced below cost.
debt-equity ratio	The ratio of money borrowed by the utility to money invested in the utility by shareholders. There is a theoretical optimum for this for each utility.
deferral account	An account that records the deferral of a cost or revenue until a future date. A deferred asset account records a cost that would normally be expensed and recovered in the current period, but which is to be expensed or recovered in a future period. A deferred liability account records an amount recovered in the current period, to cover costs of providing service in a future period.
demand-side management (DSM)	Efforts to modify customer demand patterns by either increasing end-use energy efficiency or reducing fluctuations in energy demand.
distributed generation	Generation that is relatively small scale and located close to the final customer.
distribution system	The portion of an electric or natural gas transportation infrastructure that connects end-users to bulk production or transportation facilities.
energy losses	Energy lost during transportation from suppliers to end-users. Energy losses on a typical natural gas system are around 1 to 3 percent. Energy losses on a large electric system are around 5 to 8 percent.
export sales	Bulk sales of electricity or natural gas outside of British Columbia.
firm capacity	The amount of instantaneous energy production or transportation capacity that is available at a defined time.
firm energy	The amount of energy that is available over a defined period of time.

fixed cost	Costs associated with an energy production or transportation facility which must be paid whether the plant operates or not. Fixed costs generally include capital costs, contract demand charges and operating costs which are committed or unaffected by production levels.
gas cost reconciliation account (GCRA) **gas cost variance account (GCVA)**	A deferral account which accumulates the variance in actual gas costs from the actual gas revenue recovered in customer rates.
green power rates	Rates changed for electricity service from generators which do not pollute or damage the environment. Different groups define "green" power with various levels of restriction. For example, a run of the river hydro plant may be included while a new dam and reservoir may be excluded.
hydroelectric energy, hydroelectricity	Electric energy produced by water falling through a turbine generator. In British Columbia, hydroelectricity is the dominant form of electric energy production.
incentive regulation	Regulation which rewards utilities for cost savings or other actions which are desired by ratepayers.
independent power producers (IPPs)	Non-utility electric energy generators. Until the early 1970s, independent power producers were rare. With recent changes in utility technology and economics, they have become more common. Many issues relating to restructuring of the utility industry involve the role of independent power producers in a deregulated energy market.
information requests	Questions posed to those who have filed evidence for a hearing, pertaining to the evidence they have filed. Information requests and their responses are made prior to the hearing, in writing, and become evidence in the hearing. Information requests are also referred to as "interrogatories".
interim rate	A rate which is put in place until the regulator can determine the final rates. If the final rates are lower than the interim rates, customers are generally refunded their over-contributions with interest for the period of time the interim rates existed.
interruptible energy, interruptible service	Energy flow which can be reduced or cut off on relatively short notice when needed by other customers. Generally, interruptible energy is sold by contract at a reduced price or without fixed charges to end-users, with specific terms and conditions governing interruptibility rights.
investor-owned utility	A utility owned by private shareholders.

joule	A measure of energy or work done equal to a force of 1 newton applied through a distance of 1 metre. One gigajoule (one billion joules) is roughly equal to energy from 915 cubic feet of natural gas, 29 litres of gasoline, or 278 kWh of electricity.
kilowatt-hour	1,000 watt-hours.
load	The amount of energy required by end-users on a given portion of the system at a given time. Load originates primarily at customers' energy-consuming equipment.
load growth	Increase in the demand for energy.
load-resource balance	The point at which demand for energy exactly equals energy production.
local distribution company (LDC)	A utility (natural monopoly) that owns and operates the local delivery network for commodities such as electricity, natural gas and water. In a vertically integrated utility, local delivery is just one of several functions (e.g., BC Hydro). Thus, a LDC only exists when the delivery function has been vertically de-integrated (e.g., Terasen Gas).
market-based rates	Prices set freely in a competitive market, rather than prices based on costs of production.
megawatt (MW)	1,000 kilowatts, or 1,000,000 watts.
natural monopoly	An industry whose market output is produced at the lowest cost when production is concentrated in the hands of a single firm. The term utility is sometimes applied synonymously with natural monopoly.
natural gas marketer (NGM) (also see 'residential/commercial commodity unbundling')	Under the Commodity Unbundling program, natural gas marketers are independent businesses that offer alternative gas supply choices such as different terms and conditions to customers. To be able to sell gas under the Commodity Unbundling program, gas marketers must be licensed by the British Columbia Utilities Commission and adhere to the Code of Conduct for Gas Marketers (see http://www.bcuc.com/NaturalGasMarketers.aspx)
negotiated settlement process (NSP)	A less formal process where the applicant, interested parties and Commission staff meet to review and attempt to negotiate a settlement on some or all aspects of an application. NSP is used to complement or as an alternative to the traditional regulatory process (e.g., oral public or written hearings) in an effort to save time and reduce the cost of utility regulation while achieving sound regulatory outcomes.

peaking gas	Gas which is stored or purchased under contracts which will allow delivery during the periods of highest demand.
performance-based rates	See "incentive regulation".
petajoule (PJ)	10^{15} or one quadrillion joules.
quasi-judicial	The powers and processes of a regulator which are similar to the courts.
rate base	The amount of investment in regulated operations on which a regulated entity is allowed to earn a return. It usually consists of the depreciated value of the plant in service required for regulated operations plus an allowance for working capital and deferred assets.
rate design	The methodology for apportioning the revenue requirement to the various classes of utility customers.
rate rider	A specific charge on a customer's bill to recover a specific cost over a fixed period of time.
ratepayers	The customers of a utility.
rates	The prices at which regulated services are provided.
real time pricing (RTP)	Variable pricing of electricity in which the price depends on the cost or market value of providing electricity during each time segment. Applying RTP to electricity service results in customer rates that vary according to the specific utility costs at various times.
residential commodity unbundling (also see 'commercial commodity unbundling')	The program provides residential customers (Rate 1) of Terasen Gas with the opportunity to enter into a natural gas commodity supply arrangement with a licensed gas marketer.
retail competition	Permitting end-use energy customers to contract directly with energy suppliers for their electricity or natural gas commodity, while continuing to deal with transmission and distribution utilities for the commodity delivery. The energy commodity is generally sourced in a competitive marketplace.
return on equity (ROE)	The percentage return allowed for the invested equity of utility shareholders.
revenue requirements	See "cost of service".
self-generation	Generation of electricity by a customer for part or all of its own load requirements.

spot market	A real-time commodity market for immediate sale and delivery of energy products.
time-of-use rates	A rate structure that prices electricity at different rates, reflecting the changes in the utility's costs of providing electricity at different times of the day or year.
transmission grid, transportation grid, transmission system	An interconnected system of high voltage energy transportation lines and associated facilities used for bulk transfers of electricity. A high-pressure pipeline used for bulk transfers of natural gas is also referred to as a transmission system.
watt	The power required to do work at the rate of one joule per second.
watt-hour	One watt-hour is equal to 3,600 joules of energy.
wheeling	The service of delivering electricity across a transmission system for a third party.
wholesale markets	Wholesale electricity markets are comprised of transactions between buyers and sellers of bulk power at points on a high voltage transmission system.
wholesale rates	The unit prices charged for bulk energy services.

Energy Conversion Factors

Fuel Type	Original Measure	Terajoules
Coal	1 kilotonne	29.53
Coke	1 kilotonne	28.83
Petroleum Coke	1 megalitre	42.38
Natural Gas	1 gigalitre	38.35
Crude Oil	1 megalitre	38.51
Diesel Fuel Oil	1 megalitre	38.67
Light Fuel Oil	1 megalitre	38.67
Heavy Fuel Oil	1 megalitre	41.73
Aviation Gasoline	1 megalitre	33.52
Aviation Turbo Fuel	1 megalitre	35.93
Propane	1 megalitre	25.50
Butane	1 megalitre	28.60
Hydro-electricity	1 gigawatt hour	3.60
Thermal Electricity	1 gigawatt hour	3.60
Hog Fuel	1 megalitre SWE*	7.69 - 9.10

* SWE = solid wood equivalent

Kilo	=	10^3	1 megalitre	=	1,000 cubic metres
mega	=	10^6	1 Btu	=	1054.615 joules
giga	=	10^9	1 barrel	=	0.15891 cubic metres
tera	=	10^{12}	1 cubic foot	=	0.02832784 cubic metres
peta	=	10^{15}	1 gallon	=	4.54609 litres
			1 cubit foot of natural gas	=	1-3- Btus